RICK SNYDER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON



Date Mailed: June 5, 2018 MAHS Docket No.: 18-003866

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Ellen McLemore

HEARING DECISION

ISSUE

Did the Department properly deny Petitioner's application for Family Independence Program (FIP) benefits?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

- 1. On February 28, 2018, Petitioner submitted an application for FIP, Food Assistance Program (FAP), and Medical Assistance (MA) benefits.
- 2. Petitioner was an ongoing MA recipient.
- 3. On March 6, 2018, the Department sent Petitioner a Verification Checklist (VCL) requesting proof of her disability.
- 4. On March 12, 2018, Petitioner submitted a DHS-54E Medical Needs form (Exhibit A, pp. 1-2).

- 5. On March 16, 2018, Petitioner submitted a DHS-54E Medical Needs form (Exhibit A, pp. 3-4).
- On March 22, 2018, the Department sent Petitioner a Notice of Case Action informing Petitioner that her application for FAP was approved but her application for FIP was denied (Exhibit A).
- 7. On April 10, 2018, Petitioner submitted a hearing request disputing the Department's actions regarding her FIP and MA benefits.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

FIP

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

In this case, Petitioner submitted an application for FIP benefits on February 28, 2018. On March 6, 2018, the Department sent Petitioner a VCL requesting verification of her disability.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification that is required. BAM 130 (April 2017), p. 7. If the client cannot provide the verification despite a reasonable effort, the Department will extend the time limit up to two times. BAM 130, p. 8. The Department sends a negative action notice when: the client indicates a refusal to provide a verification OR the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 7.

The Department testified that Petitioner's FIP application was denied for her failure to properly verify her disability. However, upon further review, the Department discovered that Petitioner submitted a DHS-54E Medical Needs form on March 12, 2018 and March 16, 2018, stating that she had a disabling condition that would prevent her from working.

The Department testified that Petitioner did timely submit the requested verifications. The Department conceded that it erred in denying Petitioner's FIP application.

<u>MA</u>

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, Petitioner was an ongoing recipient of MA benefits under the Health Michigan Plan (HMP) program. On February 27, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that she was not eligible for MA benefits effective April 1, 2018, ongoing, for her failure to submit required verifications (Exhibit C). On February 28, 2018, Petitioner submitted an application for FIP, FAP and MA. Petitioner submitted her hearing request, in part, to dispute the Department's decision regarding her MA benefit case. However, the Department presented Petitioner's Eligibility Summary which showed Petitioner's MA benefits were reinstated (Exhibit D). Petitioner has been continually receiving MA benefits under the full-coverage HMP program. As Petitioner experienced no lapse in coverage, the issue is moot and the Undersigned lacks jurisdiction to address the matter. Therefore, Petitioner's hearing request regarding her MA benefits is, hereby, **DISMISSED**.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it denied Petitioner's FIP application. Accordingly, the Department's decision is **REVERSED**.

Petitioner's hearing request in regard to her MA benefit case is **DISMISSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Reinstate and reprocess Petitioner's February 28, 2018 FIP application;
- 2. If Petitioner is entitled to FIP benefits, issue supplements she is entitled to receive but did not as the date of application; and

3. Notify Petitioner of its FIP decision	ı in writing.
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EM/cg

Ellen McLemore

Administrative Law Judge for Nick Lyon, Director

Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MAHS Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139

Via Email:	
Datitionar Via First Class Maile	
Petitioner – Via First-Class Mail:	