



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: June 25, 2018  
MAHS Docket No.: 18-004953  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Alice C. Elkin**

**HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on June 18, 2018, from Detroit, Michigan. Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistance Payment Specialist.

**ISSUE**

Did the Department properly deny Petitioner's March 27, 2018 Medicaid (MA) application?

**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 March 27, 2018, Petitioner applied for MA and for Food Assistance Program (FAP) benefits (Exhibit C).
2. On April 4, 2018, the Department sent Petitioner a Verification Checklist (VCL) requesting that she submit verification of four bank accounts, including two from [REDACTED], by April 16, 2018 (Exhibit G).
3. Petitioner called the Department requesting additional time to provide the [REDACTED] verifications.
4. On April 25, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice notifying her that her MA application was denied because

she “failed to return the supplemental questionnaire mailed to you for this purpose” (Exhibit J).

5. On May 7, 2018, the Department received all the requested verifications from Petitioner.
6. On May 7, 2018, the Department received Petitioner’s request for hearing disputing the denial of her MA and FAP application.

### **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).

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.

Petitioner requested a hearing to dispute the denial of her March 27, 2018 MA and FAP application. At the hearing, Petitioner testified that the FAP issue was resolved to her satisfaction and she no longer wished to proceed with a hearing on the FAP matter. Accordingly, Petitioner’s hearing request concerning FAP is DISMISSED. The hearing proceeded to address Petitioner’s MA matter.

Petitioner applied for MA, specifically for Medicare Savings Program (MSP) benefits for assistance with payment of her Medicare expenses, on March 27, 2018. In connection with determining her eligibility for MA, the Department sent Petitioner the April 4, 2018 VCL, requesting that she provide requested verifications, including verification of two accounts with [REDACTED], by April 16, 2018. At the hearing, Petitioner testified that she had all the verifications the Department had requested except for the two Bank of America accounts. She explained that the [REDACTED] accounts were her son’s accounts in Tennessee and that she had been named as joint owner for convenience. Both accounts had been closed years earlier, but [REDACTED] advised her that its headquarters would have to complete the asset verification form for the accounts and it would take a couple of weeks. Petitioner testified that she called her worker to advise her that she would need additional time to get those verifications to the Department.

She further stated that the front desk at her local Department office told her not to submit her verifications until she had all of them.

Under BAM 130 (April 2017), p. 8, a client has ten (10) calendar days to provide requested verifications, but if the client cannot provide the verification despite a reasonable effort, the Department must extend the time to provide verifications in connection with MA up to two times. Extensions may be granted when (1) requested by the client; (2) the need for extension and reasonable efforts taken to obtain the verifications are documented; and (3) every effort was made by the Department to assist the client in obtaining the verifications. BAM 130, p. 8.

In this case, Petitioner testified that she called her worker multiple times weekly to advise her of the difficulty she was having getting the [REDACTED] verifications, but her worker never called her back. The Department representative at the hearing testified that Petitioner's worker was unavailable for the hearing but had left notes indicating that she had received Petitioner's calls and approved two extensions but had not called her back because a response was not necessary. These notes corroborate Petitioner's testimony that she made multiple attempts to contact her worker and never received a response. The Department sent the Health Care Coverage Determination Notice denying the application on April 25, 2018, which is only nine days past the April 16, 2018 VCL due date. Therefore, the notice does not support the Department's position that Petitioner was granted two extensions to provide the verification. Further, by failing to call Petitioner back, the Department did not properly notify Petitioner of how long she would have to provide the verifications. See BAM 130, p. 3 (requiring the Department to notify a client when verifications are due).

Because the Department failed to properly extend the VCL due date and advise Petitioner of the same, 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 MA application.

### **DECISION AND ORDER**

Based on Petitioner's testimony that her FAP issue was resolved, Petitioner's hearing request concerning FAP is **DISMISSED**.

The Department's MA decision is **REVERSED**.

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. Reregister and reprocess Petitioner's March 27, 2018 MA application.

2. Provide Petitioner with MA and MSP benefits she is eligible to received based on the March 27, 2018 application; and
3. Notify Petitioner in writing of its decision.



AE/tm

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**Alice C. Elkin**

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

**DHHS**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**cc:**

[REDACTED]  
[REDACTED]  
[REDACTED]