



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
MI [REDACTED]

Date Mailed: April 18, 2018  
MAHS Docket No.: 18-002159  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Janice Spodarek

**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 4/17/18, from Lansing, Michigan. The Petitioner did not appear. Petitioner was represented at the administrative hearing by [REDACTED] POA. The Department of Health and Human Services (Department) was represented by James Palazzolo, ES.

**ISSUE**

Did the Department properly deny Petitioner's Medical assistance (MA) application on the grounds that Petitioner failed to submit requested verifications?

**FINDINGS OF FACT**

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

1. Petitioner applied for MA at an unknown date.
2. On 1/30/18, the Department issued a Verification Checklist pursuant to an Asset Detection Service notification that Petitioner had a Checking Account at [REDACTED] previously undisclosed. The verification was due by 2/9/18. Ex A.1.
3. Petitioner failed to deliver the requested verification.
4. On 2/14/18 the Department issued an Health Care Coverage Determination Notice denying Petitioner's application for MA on the grounds that Petitioner failed to comply with the Department /verification request of a bank account.

5. Petitioner's witness testified at the administrative hearing that bank account was closed in July 2017 and over \$42,000.00 withdrawn.
6. On 2/26/18 Petitioner requested a hearing.

### **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.

In this case, verification policy and procedure are found in corresponding BEM and BAM manuals. Specific asset requirements are found in BEN 400.

A review of the evidentiary record shows that the Department acted as required and mandated by federal and state law in requesting required and necessary verifications prior to processing requests for welfare programs. Failure to have adequate and necessary verifications in the recipients file can result in substantial financial penalties on the state of Michigan.

Here, the Department properly followed its policy, and properly requested the verification which the applicant failed to disclose. The POA's statement that she was not aware of the account does not fall under those reasons generally construed as good cause.


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 acted in accordance with Department policy when it denied Petitioner's application for failure to comply with the Department's request for verification.

Petitioner may reapply.

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.

JS/nr

  
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Janice Spodarek  
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) 335-6088; 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**

Tolisha Bates  
21885 Dunham Road  
Clinton Twp., MI  
48036

Macomb 12 County DHHS- via electronic  
mail

BSC4- via electronic mail

M. Best- via electronic mail

EQAD- via electronic mail

**Petitioner**

[REDACTED]  
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