



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED], MI [REDACTED]

Date Mailed: October 13, 2020  
MOAHR Docket No.: 20-005033  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Colleen Lack

### **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 September 9, 2020. The Petitioner was represented by [REDACTED]. The Department of Health and Human Services (Department) was represented by Brenda Kann, Family Independence Manager and Hearing Coordinator.

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-47.

### **ISSUE**

Did the Department properly deny Petitioner's applications for Medical Assistance (MA)?

### **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 [REDACTED] 2020, an application for MA was filed on Petitioner's behalf. (Exhibit A, pp. 36-47)
2. On [REDACTED] 2020, an application for retroactive MA was filed on Petitioner's behalf for January, February, and March 2020. (Exhibit A, pp. 33-35)
3. On April 3, 2020, a Verification Checklist was issued with a due date of April 13, 2020, requesting verification of: savings account with [REDACTED]

████████████████████ verification of the life insurance policy being transferred to the funeral home; and verification of the funeral contract, goods and services, and receipt. (Exhibit A, pp. 29-32)

4. On April 14, 2020, the due date for the Verification Checklist was extended to April 24, 2020. (Exhibit A, pp. 27-28)
5. The Department received the verifications for Petitioner's bank accounts and life insurance policy. (Exhibit A, pp. 8-9)
6. On April 28, 2020, the due date for the Verification Checklist was extended to May 8, 2020. The Eligibility Specialist sent an email to the funeral home to try to assist with obtaining the needed verification of the burial/funeral contract information. (Exhibit A, pp. 23 and 25-26)
7. On April 28, 2020, the funeral home responded that they were awaiting having the insurance portion of the assignment form signed by the Conservator. (Exhibit A, pp. 24-25)
8. On May 11, 2020, the Eligibility Specialist sent another email to the funeral home. (Exhibit A, p. 24)
9. On May 15, 2020, the applications for MA and retroactive MA were denied based on a failure to provide required information because no correspondence or documentation was received from the conservator or funeral home regarding the funeral contract, statement of goods and services, and receipt to show the transfer of the life insurance to the funeral contract. (Exhibit A, pp. 3 and 19-22)
10. On May 15, 2020, a Health Care Coverage Determination Notice was issued notifying Petitioner of the denial. (Exhibit A, pp. 14-17)
11. On July 17, 2020, Petitioner requested a hearing contesting the Department's determination. (Exhibit A, p. 5)

### **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 general, Verification is to be obtained when information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. The Department must tell the client what verification is required, how to obtain it, and the due date. The client must obtain required verification, but the Department must assist if the client needs and requests help. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department should use the best available information. If no evidence is available, the Department is to use their best judgment. BAM 130, April 1, 2017, pp. 1-3.

For MA, the Department must allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. If the client cannot provide the verification despite a reasonable effort, the Department can extend the time limit up to two times when specific conditions are met. Verifications are considered timely if received by the date they are due. The Department is to send a case action notice when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, pp. 7-8.

On April 3, 2020, a Verification Checklist was issued with a due date of April 13, 2020, requesting verification of: savings account with [REDACTED] checking account with [REDACTED] verification of the life insurance policy being transferred to the funeral home; and verification of the funeral contract, goods and services, and receipt. (Exhibit A, pp. 29-32) On April 14, 2020, the due date for the Verification Checklist was extended to April 24, 2020. (Exhibit A, pp. 27-28) The Department received the verifications for Petitioner's bank accounts and life insurance policy. (Exhibit A, pp. 8-9) On April 28, 2020, the due date for the Verification Checklist was extended to May 8, 2020. The Eligibility Specialist sent an email to the funeral home to try to assist with obtaining the needed verification of the burial/funeral contract information. (Exhibit A, p. 23-25) On April 28, 2020, the funeral home responded that they were awaiting having the insurance portion of the assignment form signed by the Conservator. (Exhibit A, pp. 24-25) On May 11, 2020, the Eligibility Specialist sent another email to the funeral home. (Exhibit A, pp. 25-26)

On May 15, 2020, the applications for MA and retroactive MA were denied based on a failure to provide required information. Specifically, no correspondence or documentation was received from the Conservator or funeral home regarding the funeral contract, statement of goods and services, and receipt to show the transfer of the life insurance to the funeral contract. (Exhibit A, pp. 3 and 19-22) A Health Care Coverage Determination Notice was issued notifying Petitioner of the denial. (Exhibit A, pp. 14-17)

Petitioner's Conservator testified that it was not Petitioner's fault that this happened and noted that Petitioner needs the Medicaid coverage. Petitioner's Conservator tried to get the funeral home to send in the information that was required. As she recalls, the

funeral home was trying to get it from one of their insurance companies. (Conservator Testimony)

In this case, the Department followed the above cited BAM 130 policy. The policy only allows for up to two extensions of the due date to provide verifications. Two extensions were granted in this case. Further, the Department sent emails to the funeral home to assist with trying to obtain the needed verification. Ultimately, the Department properly issued the denial notice when the time-period given had elapsed and the needed verification had not been submitted.

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 [REDACTED] 2020, application for MA and retroactive MA application.

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

CL/ml



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Colleen Lack  
Administrative Law Judge  
for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

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

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

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

**DHHS**

Brenda Kann  
Crawford County DHHS – via electronic  
mail

BSC1 – via electronic mail

D. Smith – via electronic mail

EQAD – via electronic mail

**Petitioner**

██████████ – via first class mail  
██████████ MI ██████████

**Authorized Hearing Rep.**

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██, MI ██████████