



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

██████████
██████████
██████████ MI ██████████

Date Mailed: October 19, 2022
MOAHR Docket No.: 22-004096
Agency No.: ██████████
Petitioner: ██████████

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 October 13, 2022, from Lansing, Michigan. ██████████ the Petitioner, appeared on her own behalf. The Department of Health and Human Services (Department) was represented by Kathryn Bailey, Eligibility Specialist (ES).

During the Hearing proceeding, the Department's Hearing Summary packets were admitted as Exhibits A1-A4 and Exhibits B1-B8.

ISSUES

Did the Department properly deny Petitioner's application for Medical Assistance (MA) and the Food Assistance Program (FAP)?

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 ██████████ 2022, Petitioner applied for MA and FAP. (Exhibit A1 and B1)
2. On August 10, 2022, an interview was completed with Petitioner regarding FAP. (Exhibit B2)
3. On August 10, 2022, a Verification Checklist was issued to Petitioner requesting verification of: Petitioner checking account; spouse third party resources; spouse wages from employer ██████████ Petitioner wages from employer ██████████ ██████████ Petitioner residential address; spouse loss of employment from

employer [REDACTED]; Petitioner loss of employment from employer [REDACTED]; and Petitioner savings account. The due date to provide the requested verifications was August 22, 2022. (Exhibits A2 and B3)

4. On or about August 18, 2022, Petitioner provided some of the requested verifications. (ES Testimony)
5. On August 25, 2022, a Notice of Case Action was issued denying FAP based on a failure to provide several requested verifications and gross income in excess of the applicable limit. (Exhibit B 4)
6. On August 25, 2022, a Health Care Coverage Determination Notice was issued stating MA was denied based on a failure to provide several requested verifications. (Exhibit A3)
7. On September 1, 2022, a Request for Hearing was filed contesting the FAP and MA determinations. (Exhibit A4 and B5)

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

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: required by policy; required as a local office option; or 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, January 1, 2022, pp. 1-3.

For FAP, the Department must allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. 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 and the client has not made a reasonable effort to provide it. Further, if the client contacts the department prior to the due date requesting an extension or assistance in obtaining verifications, the Department is to assist the client with the verifications but not grant an extension. The Department is to explain to the client they will not be given an extension and their case will be denied once the VCL due date is passed. Also, their eligibility will be determined based on their compliance date if they return required verifications. The Department is to reregister the application if the client complies within 60 days of the application date. BAM 130, p. 7.

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, p. 8.

Petitioner applied for MA and FAP, on [REDACTED], 2022. (Exhibit A1 and B1) On August 10, 2022, an interview was completed with Petitioner regarding FAP. (Exhibit B2) The interview notes indicated Petitioner reported her spouse works 40 hours per week at \$[REDACTED] per hour and the information on The Work Number report was accurate, and she was working at [REDACTED] 40 hours per week at \$[REDACTED] per hour. (Exhibit B2, p. 5) Petitioner testified that this note is inaccurate as she was not working 40 hours per week, therefore she would not have reported working 40 hours per week. Petitioner notes that the pay stubs provided with her hearing request support her testimony that she was not, and would not have reported that, she was working 40 hours per week. (Petitioner Testimony; Exhibits A4 and B5)

On August 10, 2022, a Verification Checklist was issued to Petitioner requesting verification of: Petitioner checking account; spouse third party resources; spouse wages from employer [REDACTED] Petitioner wages from employer [REDACTED] Petitioner residential address; spouse loss of employment from [REDACTED] [REDACTED] Petitioner loss of employment from employer [REDACTED]; and Petitioner savings account. The due date to provide the requested verifications was August 22, 2022. (Exhibits A2 and B3)

The ES testified that on or about August 18, 2022, Petitioner provided some, but not all of the requested verifications. In reviewing the electronic case file, some of the

verifications submitted were mislabeled. What the Department received included: a partial statement from a savings account that did not include the account number; paystubs for Petitioner's spouse; a utility bill; and property tax records. The Department did not receive complete verification of both a checking and savings account for Petitioner; third party resource (insurance) for Petitioner's spouse; wages for Petitioner; and loss of former employment for Petitioner and her spouse. The ES testified that the loss of former employment would not matter if it had been more than 30 days since the employment ended. (ES Testimony) Petitioner asserted that she thought she had provided all requested verifications, including verification of her wages. Petitioner also noted that the pay stubs for her spouse would show he does not receive any insurance. (Petitioner Testimony)

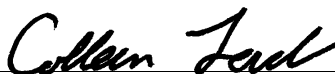
Overall, the evidence support's the Department's determinations to deny Petitioner's application for FAP and MA based on a failure to provide all requested verifications. For example, Petitioner did not provide sufficient verification of her checking and savings accounts. While Petitioner may have attempted to provide her pay stubs, the testimony of the ES also indicated that while a submitted verification was labeled as wage verification, it was actually the partial savings account statement. Further, as the Department did not receive the requested verification of Petitioner's wages, they relied upon their understanding of her wages based on the interview note. Had the Department received the actual wage verifications for Petitioner, the verified earnings would have been used instead to determine if the FAP group exceeded the income limit.

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 MA and FAP.

DECISION AND ORDER

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

CL/ml



Colleen Lack
Administrative Law Judge

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

Via Electronic Mail :

DHHS
Rolando Gomez
Tuscola County DHS
1365 Cleaver Road
Caro, MI 48723
MDHHS-Tuscola-
Hearings@michigan.gov

Interested Parties

BSC2
M. Holden
D. Sweeney
C. George
EQAD
MOAHR

Via First Class Mail :

Petitioner

██████████
██████████
██████ MI ████████