

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],  
Claimant

Reg. No: 2009-26597  
Issue No: 2027  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
November 18, 2009  
Ionia County DHS

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, an in-person hearing was held on Wednesday, November 18, 2009. The claimant personally appeared and testified with his brother, [REDACTED] and sign language interpreter, [REDACTED].

ISSUE

Did the department properly cancel the claimant's Medical Assistance (MA) because the claimant was no longer receiving Federal Supplemental Security Income (SSI) benefits?

FINDINGS OF FACT

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

(1) The claimant was a recipient of MA based upon the fact that he was receiving Federal SSI beginning March 1, 1980.

(2) Subsequently, the County of Ionia Department of Human Services (DHS) was converted to the new Bridge's computer system where it was discovered that the claimant's SSI payments had stopped some time ago.

(3) On April 15, 2009, the department caseworker sent the claimant a notice that effective April 28, 2009, that he would no longer be eligible for MA because he was no longer receiving SSI benefits.

(6) On May 13, 2009, the department received a hearing request from the claimant, contesting the department's negative action.

(7) During the hearing, the claimant stated that he had gone back to work, but was currently laid off and only picking up part-time benefits.

(8) During the hearing, the Family Independence Manager told the claimant to reapply for Social Security benefits and MA benefits if he feels that he is disabled.

#### CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

#### **DEPARTMENT POLICY MA Only**

Supplemental Security Income (SSI) is a cash benefit for needy individuals who are aged (at least 65), blind or disabled. The Social Security Administration (SSA) determines SSI eligibility.

In Michigan, DHS supplements federal SSI payments based on the client's living arrangement. Thus, in this item SSI recipient means a Michigan resident who receives the basic federal payment, the state supplement, or both.

To be automatically eligible for Medicaid (MA) an SSI recipient must:

- Be a Michigan resident, and
- Cooperate with third-party resource liability requirements.

DHS administers MA for SSI recipients, including a continued MA eligibility determination when SSI benefits end.

Ongoing MA eligibility begins the first day of the month of SSI entitlement. Some clients also qualify for retroactive (retro) MA coverage for up to three calendar months prior to SSI entitlement. See BAM 115.

The following individuals are considered SSI recipients for MA purposes even though they do not receive an SSI cash grant:

- Individuals appealing termination of SSI because SSA has determined they are no longer disabled or blind. DHS local offices are responsible for determining initial and continuing eligibility. See "MA While Appealing Disability Termination" below.
- 1619 Recipients - Certain blind or disabled SSI recipients who work and have too much income for an SSI cash grant may be eligible for continued MA coverage. SSA determines eligibility. These recipients are the same as other SSI recipients in Bridges. BEM 150, p. 1.

In the instant case, the claimant had been a previous recipient of SSI, but lost his SSI benefits because he went back to work. Through an administrative error on behalf of the department, the claimant has continued to receive MA benefits even though he was no longer receiving SSI for a significant period of time and was participating in full-time employment.

The department error was not revealed until Bridge's updated the system, which resulted in the claimant being sent a notice on April 15, 2009 that his MA benefits would end on April 28, 2009.

The claimant has recently been laid off and had only been called back on a temporary, part-time basis. This Administrative Law Judge explained to the claimant that his MA was based upon him being a Federal SSI recipient and his benefits should have been cancelled once he stopped receiving SSI benefits and was participating in full-time employment.

Since the claimant was not currently participating in full-time employment, he was encouraged to reapply for Federal SSI and to apply for State MA benefits based on disability.

Therefore, the department has established that it was acting in compliance with department policy by determining that the claimant is not eligible for MA benefits because his Federal SSI benefits had been cancelled.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department appropriately closed the claimant's MA case because he was no longer receiving Federal SSI benefits.

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

/s/  
Carmen G. Fahie  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: December 10, 2009

Date Mailed: December 10, 2009

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

CGF/vmc

cc:

