

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No:

[REDACTED]

ADMINISTRATIVE LAW JUDGE:

[REDACTED]

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37, 7 CFR 273.16, MAC R 400.3130, and MAC R 400.3178 upon the Claimant's request for hearing. This matter was originally assigned to ALJ [REDACTED]. This matter was reassigned to [REDACTED] to complete the decision after complete review of the record. After due notice, an in-person hearing was held on [REDACTED]. The Claimant was represented by her husband, [REDACTED].

ISSUE

Did the Department properly close Claimant's Medical Assistance (MA) case?

FINDINGS OF FACT

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

1. The Claimant was receiving Supplemental Security Insurance (SSI) related Medicaid on the basis that she was an SSI recipient. (Hearing Summary).
2. On [REDACTED] the Claimant received a letter stating that her SSI case was being closed as a result of her husband's excess income. (Department exhibit 4).
3. As a result of her husband's excess income, the Department took action for the SSI-related MA assistance the claimant was receiving.
4. The Department was unable to qualify the Claimant for MA on the bridges system and filed a help desk ticket. (Hearing Summary).

5. On [REDACTED], the Department received the Claimant's Request for Hearing protesting the Department's closure of her MA case.

CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901 - .951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1). An opportunity for a hearing shall be granted to an applicant who requests a hearing because of a denial. MAC R 400.903(2).

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. BAM 600. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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 (BAM), the Program Eligibility Manual (BEM) and the Program Reference Manual (BRM).

Department Policy states:

BEM 105 MA-ONLY TERMINATIONS

Note: An ex parte review (see glossary) is required before Medicaid closures when there is an actual or anticipated change, unless the change would result in closure due to ineligibility for all Medicaid. When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. The review includes consideration of all MA categories; see BAM 115 and 220. Consider eligibility under all other MA-only categories before terminating benefits under a specific category. In addition, when Group 1 eligibility does not exist but all eligibility factors except income are met for a Group 2 category, activate deductible status; see BEM 545.

DEPARTMENT POLICY MA Only

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. Medicaid is also known as Medical Assistance (MA).

SSI-RELATED AND FIP-RELATED

The Medicaid program is comprised of several sub-programs or categories. One category is FIP recipients. Another category is SSI recipients. There are several other categories for persons not receiving FIP or SSI. However, the eligibility factors for these categories are based on (related to) the eligibility factors in either the FIP or SSI program. Therefore, these categories are referred to as either FIP-related or SSI related. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant, women receive MA under FIP-related categories.

CHOICE OF CATEGORY

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income.

The Claimant had been receiving SSI benefits. As a result, she automatically qualified for MA benefits. In [REDACTED] her husband began receiving SSI as a result of his disability claim. Because of the amount of money her husband was entitled to receive, the Claimant's SSI case was closed due to excess income. Because she was no longer receiving SSI, her automatic categorical MA eligibility ceased. The Department closed her MA case based on the fact that she was no longer receiving SSI benefits.

Department policy requires that the Department conduct an ex parte review to determine if a client is eligible for MA assistance under any other category prior to closing any MA assistance. It is unclear from the record, if the Department considered the Claimant's eligibility for any other category of MA assistance as required by policy prior to the closure. BEM 105 states that the Department is required to make this determination prior to closure of MA assistance. The Hearing Summary indicates that the worker was unable to restore the benefits on the [REDACTED] and filed a help-desk ticket. There is nothing in the record to indicate the result of this issue.

It appears that the Claimant had some type of disability as she was receiving RSDI prior to her husband's disability claim. There is nothing in the record regarding the Claimant's current status beyond the fact that she was diagnosed with cancer. At the very least, if only income is preventing the Claimant's MA eligibility, Department Policy indicates that they should activate deductible status. BEM 105. From the record, it is unclear if this was done in this case.

DECISION AND ORDER

This Administrative Law Judge, based upon the above findings and conclusion of law, decides that the Department failed to conduct an ex parte review of Claimant's MA eligibility prior to the closure of her MA case.

Accordingly, the Department shall:

1. Conduct an Ex parte Review of the Claimant's eligibility for any other MA category.
2. Issue any retroactive MA benefits the Claimant is otherwise eligible to receive.

It is so ORDERED.

_____/s/_____


Date Signed: 3/24/11

Date Mailed: 3/24/11

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.


