

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: 20106314  
Issue No: 2012  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
December 14, 2009  
Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Jeanne M. VanderHeide

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on December 14, 2009. The Claimant appeared and testified. Ingrid McGowan, FIS appeared on behalf of the Department.

ISSUE

Whether the Department properly denied the Claimant's Medical Assistance ("MA") application?

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 July 21, 2009, the Claimant submitted an application for MA benefits.
2. Claimant suffers from cervical/breast cancer and is not working.

3. The Department was unable to determine whether Claimant had been advised to apply for SSI or RSDI in order to be considered for disability based MA-P benefits.
4. The Department indicated that it would consider Claimant for MA under the Breast and Cervical Cancer Prevention and Treatment Program. The Department was unable to indicate what documents, if any, were needed in order to process Claimant's MA eligibility under this program.
5. The Department indicated that Claimant was granted MA benefits by mistake. Benefits were cancelled effective 8/6/09. The stated reason for the denial was that Claimant was not receiving federal SSI or RSDI.
6. On August 20, 2009, The Department received the Claimant's written hearing request protesting the failure to process the Claimant's MA application. (Exhibit 1, p. 2).

#### CONCLUSIONS OF LAW

The Medical Assistance ("MA") program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act. 42 USC 1397 and is administered by the Department of Human Services, formally known as the Family Independence Agency, pursuant to MCL 400.10 *et seq* and MCL 400.105. Departmental policies are found in the Program Administrative Manual ("PAM") and Bridges Administrative Manual ("BAM"), the Program Eligibility Manual ("PEM") and Bridges Eligibility Manual ("BEM"), and the Program Reference Manual ("PRM").

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. BEM/PEM 105, p. 1. Medicaid is also known as Medical Assistance ("MA"). *Id.* The Medicaid program is comprised of several

categories; one category is for FIP recipients while another is for SSI recipients. *Id.* Programs for individuals not receiving FIP or SSI are based on eligibility factors in either the FIP or SSI program thus are categorized as either FIP related or SSI related. *Id.*

To receive MA under an SSI related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formally blind or disabled. There is no requirement in BEM/PEM 105 that an individual be declared disabled through SSI or RSDI before processing for disability. BEM 105, p. 1. If a person is eligible for Retirement, Survivors and Disability Insurance (RSDI) benefits based on her disability or blindness, she automatically meets the disability or blindness criteria. BEM/PEM 260, p. 2. However, if the individual does not meet the SSI/RSDI criteria, and there has not been a final determination by SSA on the issue of disability, then the Claimant is referred to MRT or SRT for a medical determination. BEM/PEM 260, p. 3.

The regulations require that the Department do the following for a referral:

- Obtain evidence of the impairment (e.g., DHS-49, DHS-49-D or equivalent medical evidence/documentation).
- Complete a DHS-49-B, Social Summary.
- Obtain a DHS-49-F, Medical-Social Questionnaire, completed by the client.
- Obtain optional form DHS-49-G, Activities of Daily Living, completed by the client.
- Forward the medical evidence, DHS-49-B, DHS-49-F and DHS-49-G (optional) to the MRT, for claims of disability, or SRT, for claims of blindness.

*Id.* Further procedures the Department must follow to process the medical determination are contained in BAM/PAM 815.

There are various SSI related categories under which one can qualify for MA benefits. BEM/PEM 150-174. 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. BEM/PEM 105, p. 2.

In the subject case, the Claimant submitted an application on 7/21/09. Claimant was denied because she had not qualified for SSI or RSDI. In fact, Claimant was not even instructed to apply for SSI or RSDI, so there is not a final determination. The Department did not process Claimant's medical disability pursuant to BAM 815, rather just initially denied Claimant. Claimant testified that she is currently suffering from cancer and the Department indicated that Claimant may qualify for MA under the Breast and Cervical Cancer Prevention and Treatment Program. Claimant testified credibly that she turned in all paperwork requested of her for verification of her cancer. Yet Claimant's MA application has still not been processed. Furthermore, Claimant is entitled to benefits under the most beneficial MA category. If Claimant wishes to pursue MA-P benefits based on disability (not through the Breast and Cervical Cancer Prevention and Treatment Program), however, Claimant will need to apply for SSI/RSDI benefits.

The Administrative Law Judge finds that the Department failed to properly process Claimant's application for MA benefits. Based on the facts and evidence in the record, the Administrative Law Judge finds that the Department failed to properly process Claimant's 7/21/09 application. Accordingly, the Department's decision to close Claimant's case is REVERSED.

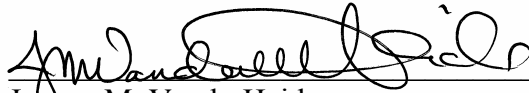
#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department's determination is not upheld.

Accordingly, it is ORDERED:

1. The Department's denial of the 7/21/09 MA application is REVERSED.

2. The Department shall reopen and reprocess the application as if there were no dates of closure, in accordance with department policy.
3. Providing Claimant meets all other eligibility factors pursuant to Department policy, Claimant is entitled to the most beneficial MA program benefits.
4. Providing Claimant meets all other eligibility factors pursuant to Department policy, the Department shall supplement the Claimant for any lost benefits she was otherwise entitled to receive in accordance with Department policy.



Jeanne M. VanderHeide  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 12/22/09

Date Mailed: 12/23/09

**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.

JV/dj

cc:

