

STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No: 2011-35800

Issue No: 2027



Cass County DHS

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

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 received on May 18, 2011. After due notice, a telephone hearing was held on June 22, 2011. Claimant personally appeared and provided testimony.

ISSUE

Whether the department properly transferred Claimant's Medical Assistance (MA) case to the SSI Termination Type of Assistance?

FINDINGS OF FACT

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

1. On May 9, 2011, the department received information from a SOLQ report that Claimant's SSI was being terminated due to excess income because she had been granted a VA pension beginning May 1, 2011. (Department Exhibits 13-15).
2. When SSI benefits stop, the department evaluates the reason based on the SSA's negative action code as set forth in BEM 150, MA for SSI Recipients. According to the SOLQ, the negative action code was N01, which indicates excess income. (Department Exhibits 10, 14).
3. Based on Claimant's SSI being terminated, Claimant's MA case was transferred to the SSI Termination Type of Assistance and the department mailed Claimant a Notice of Case Action on May 18, 2011, informing her of the changes. (Hearing Summary).

4. Claimant submitted a hearing request on May 18, 2011 protesting the change of status of her Medicaid program. (Request for a Hearing).

### 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 400.901-400.951. Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. 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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

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. BEM 150.

To be automatically eligible for Medicaid (MA) an SSI recipient must both 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. BEM 150.

SSI recipients who are Michigan residents receive MA-SSI from the department for the duration of SSI eligibility. Redeterminations are not conducted, however, if SSI stops, the department may determine continued MA eligibility. BEM 150.

When SSI benefits stop, the department evaluates the reason based on the SSA's negative action code, then does one of the following:

- **SSI Closure.** MA-SSI is closed by the department if SSI stopped for a reason that prevents continued MA eligibility (for example, death, moved out of state). The department sends the recipient a DHS-1605. BEM 150.
- **Transfer to SSIT.** SSI cases not closed due to the policy above are transferred to the SSI Termination (SSIT) Type of Assistance. A redetermination date is set for the second month after transfer to allow for an ex parte review. An ex parte review 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. BEM 150.

In this case, the department received information that Claimant's SSI was being terminated on May 1, 2011, because she had excess income due to receiving VA benefits. The department mailed Claimant a Notice of Case Action informing her that her SSI-MA would be closed due to excess income, and mailed her an Assistance Application for her completion with instructions to return it so the department could determine if she was eligible for any other MA programs.

During the hearing, Claimant denied receiving the Assistance Application and did not believe her SSI benefits were being terminated. Claimant only wanted to discuss the Social Security Administration Ticket to Work and Self Sufficiency Program that she received on January 15, 2003. Claimant was informed repeatedly that this Administrative Law Judge was not employed by the Social Security Administration and had no knowledge of the Ticket to Work program and could not address it. Claimant refused to discuss her MA program being closed as a result of her SSI being terminated due to excess income. The hearing was terminated due to Claimant's lack of cooperation in discussing the state program at hand.

An extensive review of the department's actions by this Administrative Law Judge before rendering this Hearing Decision shows that all departmental actions were properly made, and all MA for SSI Recipients policies were properly applied. As such, the department acted properly by closing Claimant's SSI MA program.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department established Claimant's SSI benefits were being terminated and Claimant's MA was properly transferred to SSI Termination Type of Assistance. Accordingly, department's actions are UPHeld. It is SO ORDERED.

\_\_\_\_\_/s/\_\_\_\_\_  
Vicki L. Armstrong  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 6/24/11

Date Mailed: 6/24/11

**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 receipt 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.

VLA/ds

■ [REDACTED]