

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201227817
Issue No.: 2027
Case No.: [REDACTED]
Hearing Date: June 11, 2012
County: Wayne DHS (31)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, an in-person hearing was held on June 11, 2012 from Detroit, Michigan. Participants included the above named claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly terminated Claimant's Medical Assistance (MA) benefit eligibility based on a termination of Supplemental Security Income (SSI) benefits by the Social Security Administration (SSA).

FINDINGS OF FACT

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

1. Claimant was an ongoing MA benefit recipient.
2. Claimant's MA benefit eligibility was based on receipt of federal SSI benefits.
3. Claimant's federal SSI benefit eligibility ended on 11/30/11 and was updated to Retirement Survivors, Disability Insurance (RSDI) benefits effective 12/1/11.
4. On 12/13/11, DHS initiated termination of Claimant's Medicaid eligibility due to the stoppage in Claimant's federal SSI eligibility.
5. On 1/11/12, Claimant requested a hearing to dispute the termination of Medicaid.

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). DHS 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).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

SSI is a cash benefit for needy individuals who are aged (at least 65), blind or disabled. BEM 150 at 1. SSA determines SSI eligibility. *Id.* To be automatically eligible for Medicaid (MA) an SSI recipient must be a Michigan resident and cooperate with third-party resource liability requirements. *Id.*

When SSI benefits stop, central office evaluates the reason based on SSA's negative action code, then does one of the following (*Id.* at 5):

- SSI Closure. MA-SSI is closed in Bridges if SSI stopped for a reason that prevents continued MA eligibility (for example, death, moved out of state). Bridges sends the recipient an DHS-1605.
- 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; see glossary.

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. *Id.* When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. *Id.*

In the present case, it was not disputed that Claimant's federal SSI eligibility ended and was converted to RSDI eligibility. The conversion from SSI to RSDI is definitive evidence that the SSI benefit termination was not due to a reason that prevents continued MA eligibility. Thus, DHS was required to perform an ex parte review of Claimant's MA benefit eligibility prior to terminating Claimant's MA benefit eligibility.

The testifying DHS representative conceded that Claimant's MA benefit eligibility was reviewed following the Medicaid termination. It was established that DHS mailed Claimant an application in 1/2012 which was returned by Claimant in 1/2012. It was not clear when Claimant's MA benefit eligibility was reviewed, but the evidence tended to establish that Claimant was approved for MA benefits by 2/2012, albeit for a lesser eligibility than ongoing Medicaid due to Claimant's increased RSDI.

Claimant contended that she should receive Medicaid benefits through 12/2012. In support of her contention, Claimant cited a SSA administrative decision which stated, "The claimant's earnings record shows that the claimant has acquired sufficient quarters of coverage to remain insured through December 31, 2012." (See Exhibit 2). The sentence cited by Claimant was a reference to a date for when Claimant had to establish a disability by to be eligible for RSDI benefits. The statement is irrelevant to Claimant's potential Medicaid eligibility. It is found that Claimant's Medicaid eligibility was not impacted by the presented SSA decision.

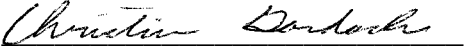
Based on the presented evidence, Claimant is entitled to some administrative remedy. DHS should have kept Claimant's ongoing Medicaid open for two full months following federal SSI benefit termination to allow for an ex parte review. Thus, Claimant is entitled to Medicaid eligibility through 1/2012. DHS was not required to extend Claimant's Medicaid beyond 1/2012, thus, Claimant is not entitled to eligibility beyond 2/2012. It was established that DHS processed Claimant's MA benefits at least since 2/2012. If Claimant is dissatisfied with the ongoing eligibility from 2/2012, she may request a hearing to dispute that specific issue.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly terminated Claimant's eligibility for MA benefits. It is ordered that DHS:

- (1) evaluate Claimant's MA benefit eligibility for 1/2012 subject to the finding that Claimant was eligible for MA benefits as a transitional SSI recipient;
- (2) supplement Claimant for benefits not received as a result of the improper benefit termination

The actions taken by DHS are REVERSED.


Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: June 28, 2012

Date Mailed: June 28, 2012

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases).

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
 - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail to:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

CG/hw

cc:

