

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

**IN THE MATTER OF:**



Reg. No.: 201230417  
Issue No.: 2000  
Case No.: [REDACTED]  
Hearing Date: June 7, 2012  
County: Wayne (76)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**SETTLEMENT ORDER**

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, a telephone hearing was held on June 7, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Family Independence Specialist.

**ISSUE**

Whether the Department properly:

- denied Claimant's application for benefits
- closed Claimant's case for benefits
- reduced Claimant's benefits

for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?  | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Food Assistance Program (FAP)?      | <input type="checkbox"/> Child Development and Care (CDC)?  |
| <input checked="" type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> State Emergency Services (SER)?    |
| <input type="checkbox"/> Adult Medical Assistance (AMP)?     |   |

**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 November 1, 2011, the Department closed Claimant's case for benefits under the Medicare Savings Program, Qualified Medicare Benefits (QMB).
2. On May 22, 2012, the Department sent notice to Claimant (or Claimant's Authorized Hearing Representative) of the closure.
3. On February 1, 2012, Claimant filed a request for hearing concerning the Department's action.

### **CONCLUSIONS OF LAW**

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Reference Tables Manual (RFT), and the State Emergency Relief Manual (ERM).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1999 AC, Rule 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1999 AC, Rule 400.3001 through Rule 400.3015.

The Medical Assistance (MA) program is established by the 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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 AACS, Rule 400.3151 through Rule 400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of

1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1999 AC, Rule 400.5001 through Rule 400.5015.

The State Emergency Relief (SER) program is established by 2004 PA 344. The SER program is administered pursuant to MCL 400.10, *et seq.*, and by 1999 AC, Rule 400.7001 through Rule 400.7049. Department policies are found in the State Emergency Relief Manual (ERM).

The law provides that disposition may be made of a contested case by stipulation or agreed settlement. MCL 24.278(2).

In the present case, Claimant requested a hearing to dispute the Department's action. During the course of the hearing, the evidence established that Claimant's Medicare case had been closed by the Social Security Administration (SSA) based on its finding that Claimant was no longer disabled. Consequently, the Department closed Claimant's Medicare Savings Program, QMB benefits. However, the Department testified that Claimant was an active MA recipient and had ongoing, uninterrupted MA coverage that, as of the date of the hearing, had not been affected by the SSA ruling. The Department further testified that no Notice of Case Action had been sent by the Department with respect to terminating or suspending Claimant's MA coverage.

Soon after commencement of the hearing, the parties testified that they had reached a settlement concerning the disputed action. Consequently, the Department agreed to do the following: (i) process Claimant's MA coverage as Claimant's primary insurance as of November 1, 2011, in accordance with Department policy, including, if necessary, forwarding any required documentation to the Third Party Liability Division, Bureau of Financial Management, in the Department of Community Health, as provided in BEM 257; and (ii) provide MA coverage to Claimant that she is eligible to receive from November 1, 2011, ongoing.

As a result of this settlement, Claimant no longer wished to proceed with the hearing with respect to the Department's closure of her QMB case following the SSA's termination of her Medicare case. As such, it is unnecessary for this Administrative Law Judge to render a decision regarding the facts and issues in this case.

### **DECISION AND ORDER**

The Administrative Law Judge concludes that the Department and Claimant have come to a settlement regarding Claimant's request for a hearing.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING:

1. Process Claimant's MA coverage as Claimant's primary insurance as of November 1, 2011, in accordance with Department policy, including, if necessary, forwarding

- any required documentation to the Third Party Liability Division, Bureau of Financial Management, in the Department of Community Health, as provided in BEM 257; and
2. Provide MA coverage to Claimant that she is eligible to receive from November 1, 2011, ongoing.



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**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: June 15, 2012

Date Mailed: June 15, 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.

ACE/cl

cc:

