

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-31419
Issue No.: 2006; 2013; 2015; 2027
Case No.: [REDACTED]
Hearing Date: June 7, 2012
County: Wayne (17)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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, a telephone hearing was held on June 7, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED] Authorized Hearing Representative (AHR). Participants on behalf of Department of Human Services (Department) included [REDACTED], Family Independence Manager, and [REDACTED] Assistance Payment Worker.

ISSUE

Did the Department properly deny Claimant's application close Claimant's cases for:

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

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 applied for benefits received benefits for:

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

2. On January 1, 2012, the Department
 denied Claimant's application closed Claimant's MA cases.
3. On December 1, 2011 and December 17, 2011, the Department sent
 Claimant Claimant's Authorized Representative (AR)
notice of the denial. closures.
4. On December 19, 2011, Claimant filed a hearing request, protesting the
 denial of the application. closure of the cases.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

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, R 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, R 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, R 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, R 400.5001 through Rule 400.5015.

Direct Support Services (DSS) is administered by the Department pursuant to MCL 400.57a, et. seq., and Mich Admin Code R 400.3603.

Additionally, Claimant requested a hearing to dispute the closure of his MA case and his two children's MA cases.

Children's MA Cases

The Department testified that Claimant's children's MA coverage under Other Health y Kids was closed effective January 1, 2012 because Claimant had failed to submit a completed redetermination.

A client must complete a redetermination at least every 12 months in order for the Department to determine the client's continued eligibility for benefits. BAM 210. MA benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210.

In this case, the Department testified that it sent Claimant a redetermination for his children's continued MA eligibility on November 15, 2011 to the address Claimant verified on the record. Claimant testified that his landlord, who lived in another apartment in the same building he resided, was the only person who had access to the locked mailbox containing his mail. Claimant further testified that whenever he asked for his mail, his landlord turned it over and he was not aware of the landlord retaining any of his mail. Under the circumstances in this case, Claimant has failed to rebut the presumption of his receipt of the properly addressed redetermination that was mailed in the Department's ordinary course of business. See *Good v Detroit Automobile Inter-Insurance Exchange*, 67 Mich App 270 (1976). Thus, the Department acted in accordance with Department policy when it closed Claimant's children's MA cases.

Claimant may reapply for MA benefits for his children.

Claimant's MA case

The Department testified that it closed Claimant's SSI-related MA case effective December 31, 2011, when the Social Security Administration (SSA) terminated his Social Security Insurance (SSI) benefits because he was no longer classified as disabled by the SSA. If a client is no longer eligible for disability-related MA and the client is not eligible for other MA coverage, the Department must close the client's MA case. BAM 220. However, the Department must continue MA coverage for a client whose SSI benefits were terminated because he is no longer considered disabled where the client timely filed an appeal of the termination with the SSA and a final determination of no disability has not been made by the SSA. BEM 150; BEM 260. The Department must also continue MA coverage for a client whose SSI eligibility based on disability was terminated due to financial factors. BAM 220; BEM 260.

In this case, the Department presented no evidence that Claimant's SSI benefits were terminated because there was a final determination by the SSA that Claimant was no longer considered disabled. In fact, the Department presented no evidence that Claimant received SSI benefits at all. To the contrary, the Department presented a report from the Single On-Line Query (SOLQ), its data exchange with the SSA, showing that Claimant had been receiving ongoing Retirement, Survivors, Disability Insurance (RSDI) benefits based on a disability and was continuing to receive such benefits. A person eligible for RSDI benefits based on his disability meets the disability criteria making the individual eligible for SSI-related MA. BEM 105; BEM 260. Because Claimant received RSDI benefits based on his disability, the Department did not act in accordance with Department policy when it closed Claimant's MA case.

Furthermore, before closing an MA case based on an actual or anticipated change (other than a change that would result in closure due to ineligibility for all MA), the Department must conduct an ex parte review, which includes consideration of all potential MA categories. BAM 210. The evidence at the hearing established that Claimant has two minor children in the home, which would make him eligible for FIP-related MA. BEM 105. While the Department presented evidence that Claimant previously had FIP-related MA that closed because of income ineligibility, there was no evidence that the Department reconsidered Claimant's circumstances at the time it closed his SSI-related MA effective January 1, 2012, to determine his ongoing eligibility for MA coverage under other MA categories. Thus, the Department further failed to act in accordance with Department policy by failing to conduct an ex parte review.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department properly closed Claimant's children's MA cases and improperly closed Claimant's MA case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly when it closed Claimant's children's MA cases.


did not act properly when it closed Claimant's SSI-related MA case.

Accordingly, for the reasons stated above and on the record, the Department's decision is AFFIRMED REVERSED AFFIRMED IN PART with respect to closure of Claimant's children's MA cases and REVERSED IN PART with respect to closure of Claimant's MA case.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Claimant's MA case as of January 1, 2012;

2. Provide Claimant MA coverage he was eligible to receive from January 1, 2012, ongoing in accordance with Department policy and consistent with this Hearing Decision.


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.

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

ACE/cl

cc:

