

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201256862
Issue No.: 2009;4031
Case No.: [REDACTED]
Hearing Date: February 4, 2013
County: Macomb DHS (12)

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, a telephone hearing was held on February 4, 2013, from Detroit, Michigan. Participants included the above-named claimant. [REDACTED] appeared as Claimant's authorized hearing representative. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist, and [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly denied Claimant's application for Medical Assistance (MA) and State Disability Assistance (SDA) on the basis that Claimant is not a disabled individual.

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 6/6/10, Claimant applied for SDA and MA benefits.
2. Claimant's only basis for SDA and MA benefits was as a disabled individual.
3. On an unspecified date, Claimant applied for Social Security Administration (SSA) benefits and claimed to be a disabled individual as of 2/2009.
4. On an unspecified date in 2010, following an administrative hearing, SSA determined that Claimant was not disabled and denied Claimant's application for SSA benefits based on a determination that Claimant was not disabled.

5. On 10/29/10, the Medical Review Team (MRT) determined that Claimant was not a disabled individual.
6. On 11/14/10, DHS mailed Claimant an Application Eligibility Notice informing Claimant of a denial of Claimant's SDA and MA benefit application.
7. On 11/17/10, Claimant requested a hearing disputing the denial of SDA and MA benefits.
8. In 3/2012, Claimant's appeal of her SSA benefit application denial was rejected by the Appeals Council.
9. On 7/31/12, the State Hearing Review Team (SHRT) determined that Claimant was not disabled, in part, by application of Medical-Vocational Rule 202.21.

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 (formerly known as the Family Independence Agency) 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.

The Medicaid program is comprised of several sub-programs which fall under one of two categories; one category is FIP-related and the second category is SSI-related. BEM 105 at 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant, women receive MA under FIP-related categories. *Id.* AMP is an MA program available to persons not eligible for Medicaid through the SSI-related or FIP-related categories though DHS does always offer the program to applicants. It was not disputed that Claimant's only potential category for Medicaid eligibility would be as a disabled individual.

Disability for purposes of MA benefits is established if one of the following circumstances applies (see BEM 260 at 1-2):

- by death (for the month of death);
- the applicant receives Supplemental Security Income (SSI) benefits;
- SSI benefits were recently terminated due to financial factors;

- the applicant receives Retirement Survivors and Disability Insurance (RSDI) on the basis of being disabled; or
- RSDI eligibility is established following denial of the MA benefit application (under certain circumstances).

There was no evidence that any of the above circumstances apply to Claimant. Accordingly, Claimant may not be considered for Medicaid eligibility without undergoing a medical review process which determines whether Claimant is a disabled individual. (see *Id.* at 2).

Eligibility for MA based on disability or blindness does not exist once SSA's determination is final. BEM 260 at 3. SSA's determination that disability or blindness does not exist for SSI is final for MA if:

- The determination was made after 1/1/90, and
- No further appeals may be made at SSA; or
- The client failed to file an appeal at any step within SSA's 60 day limit, and
- The client is not claiming:
 - A totally different disabling condition than the condition SSA based its determination on, or
 - An additional impairment(s) or change or deterioration in his condition that SSA has not made a determination on.

In the present case, SSA determined in an administrative decision that Claimant was not disabled. The decision noted that Claimant alleged a disability onset date beginning 2/2009. It is presumed that the SSA application included the same impairments from the earlier filed application for MA and SDA benefits. Claimant's testimony established that the Appeals Council rejected consideration of Claimant's appeal of an unfavorable SSA decision in 3/2012. No further appeals may be made at SSA. The unfavorable SSA decision is binding on Claimant's application for MA benefits. It is found that DHS properly determined that Claimant is not disabled and properly denied Claimant's MA benefit application.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. DHS administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. DHS policies for SDA are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

SDA provides financial assistance to disabled adults who are not eligible for Family Independence Program (FIP) benefits. BEM 100 at 4. The goal of the SDA program is to provide financial assistance to meet a disabled person's basic personal and shelter needs. *Id.* To receive SDA, a person must be disabled, caring for a disabled person, or age 65 or older. BEM 261 at 1.

A person is disabled for SDA purposes if the claimant (see BEM 261 at 1):

- receives other specified disability-related benefits or services, see Other Benefits or Services below, or
- resides in a qualified Special Living Arrangement facility, or
- is certified as unable to work due to mental or physical disability for at least 90 days from the onset of the disability; or
- is diagnosed as having Acquired Immunodeficiency Syndrome (AIDS).

It was found above that Claimant is not disabled for purposes of MA benefits because of a binding unfavorable SSA decision. Claimant alleged disabilities such as fibromyalgia, psychological disorders and back problems which are typically not temporary impairments. It is presumed that SSA rejected Claimant's disability claim for a reason other than Claimant not meeting the durational requirements for disability; in such a case, the SSA denial of disability applies to Claimant's application for SDA benefits. It is found that DHS properly denied Claimant's application for SDA benefits due to Claimant not being disabled.

It should be noted that DHS approved a subsequent application by Claimant requesting MA benefits. DHS testified that Claimant received MA and SDA benefits since 9/2012. DHS contended that this application was approved in error. This administrative decision makes no findings concerning the correctness of Claimant's ongoing MA or SDA eligibility. Claimant's ongoing eligibility was not considered because DHS approved Claimant independently of Claimant's 6/2010 application for benefits. The administrative denial of MA and SDA benefits only applies to Claimant's request for MA and SDA benefits from 6/2010 through the time of her subsequently approved application.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's MA and SDA benefit application dated 6/6/10 on the basis of a final SSA decision that Claimant is not a disabled individual. The actions taken by DHS are AFFIRMED.



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

Date Signed: February 6, 2013

Date Mailed: February 6, 2013

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

CG/hw

cc:

