

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-58037
Issue No.: 2009
Case No.: [REDACTED]
Hearing Date: September 20, 2012
County: Wayne (35)

SUPERVISING ADMINISTRATIVE LAW JUDGE: Kathleen H. Svoboda

HEARING DECISION

This matter is before the Supervising 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 conducted by Administrative Law Judge Michael J. Bennane on September 20, 2012, from Detroit, Michigan. Participants on behalf of Claimant included the claimant and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly close Claimant's case for Medical Assistance (MA) benefits after redetermination based on lack of disability?

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 recipient of MA based on disability.
2. Effective July 1, 2012 Claimant's case was closed after a redetermination was conducted resulting in a finding by the Medical Review Team that Claimant is no longer disabled.
3. On May 23, 2012, the department sent the claimant a notice that his MA disability case was closing effective July 1, 2012.
4. On June 14, 2012 Claimant filed a request for hearing disputing the closing of his MA case.

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 Mich Admin Code, R 400.3101 through R 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 Mich Admin Code, R 400.3001 through R 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 ACS, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

The hearing record in this case clearly demonstrates that confusion existed relative to the closing of claimant's MA case, an apparent new application for benefits that was not at issue during this hearing, and the assignment of a new specialist by the Department who was not familiar with the circumstances of Claimant's case. This Department specialist did testify that she believed there was a decision issued by the Medical

Review Team (MRT) regarding the medical evidence related to continued disability. She further testified that the Claimant had been receiving disability based Medical Assistance benefits and that she believed his case was denied at redetermination. This testimony is confirmed through Exhibit A, which is the Notice of Case Action dated May 23, 2012. This notice refers to Claimant's ongoing AD-Care Medicaid as closing July 1, 2012 based upon lack of disability. The Department specialist testified that Claimant's prior receipt of AD-Care evidences his receipt of benefits based upon disability, as this program is open to participants after a finding of disability is made.

Claimant's witness testified credibly that she thought the reason the hearing was requested by Claimant was due to the closing of the MA case at redetermination. The Department specialist was not confident regarding proper procedure when a case is closed and thus relied on the new application as the potential source of benefits for Claimant as well as the basis for the hearing. As previously indicated, she did testify that she believed there was an MRT decision.

When a Request for Hearing is filed relative to a decision of the MRT after redetermination that concludes the claimant is no longer disabled, that event should trigger a review of the documentation by the State Hearing Review Team (SHRT).

"The Department of Human Services must periodically redetermine an individual's eligibility for active programs. The redetermination process includes thorough review of all eligibility factors." Department of Human Services Bridges Administrative Manual Manual (BAM) 210, (May 1, 2012) page 1.

"All Programs

A complete redetermination is required at least every 12 months. Bridges sets the redetermination date according to benefit periods; see Eligibility Decisions in BAM 115. Redeterminations may be scheduled early or are scheduled less than 12 months apart when necessary..." BAM 210, page 1

Once a hearing is requested to dispute the MRT decision denying continued disability, all documentation related to the issue of disability that is the subject of the redetermination must be reviewed by the State Hearing Review Team (SHRT) before a hearing can take place.

"All Programs

The State Hearing Review Team (SHRT) reviews the Medical Review Team's (MRT) decision when a hearing request disputes the MRT denial of the client's claim of disability/blindness.

The SHRT review will include the existing medical packet and any new medical evidence compiled after the initial MRT decision was reached.

The hearings coordinator forwards hearing requests disputing MRT decisions to MAHS as for all other requests. Attach the hearing summary and a **copy** of the medical packet.” BAM 600 (May 1, 2012) page 22.

Once a hearing is requested after MRT denies disability based benefits, the SHRT must be afforded the opportunity to review all the evidence related to the issue of disability before a hearing can take place.

In the instant case, Claimant’s benefits were terminated and his case closed after a review by the MRT denied disability upon redetermination. A Request for Hearing was timely filed. The matter should have proceeded to allow a review by the SHRT once the hearing request was filed. It was not. There is no medical documentation in the file, no MRT decision. There is no evidence that the medical packet along with an appropriate hearing summary was forward to MAHS to be processed for hearing, including and SHRT review.

Accordingly, the Department failed to properly process Claimant’s redetermination, by failing to comply with BAM 600 requirements in forwarding the hearing summary and all medical documentation and the MRT decision to MAHS.

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 . did not act properly when failing to process Claimant’s redetermination according to policy.

Accordingly, the Department’s AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated on the record.

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

1. Initiate the reprocessing of Claimant’s Request for Hearing pursuant to policy as referenced herein, specifically: prepare an appropriate hearing summary and attach same to the medical packet and MRT decision and forward to MAHS.


Kathleen H. Svoboda
Supervising Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: October 17, 2012

Date Mailed: October 17, 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

MJB/ctl

cc:

