

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

**IN THE MATTER OF:**



Reg. No.: 201261629  
Issue No.: 2018  
Case No.:   
Hearing Date: October 1, 2012  
County: Oakland (04)

**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 October 1, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and Claimant's friend. Participants on behalf of Department of Human Services (Department) included Eligibility Specialist.

**ISSUE**

Did the Department properly  deny Claimant's application  close Claimant's case 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 July 1, 2012, the Department  
 denied Claimant's application     closed Claimant's case  
due to Claimant's failure to reapply for MA.
3. On an uncertain date in June 2012, the Department sent  
 Claimant     Claimant's Authorized Representative (AR)  
notice of the     denial.     closure.
4. On June 25, 2012, Claimant filed a hearing request, protesting the  
 denial of the application.     closure of the case.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services 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 Mich Admin Code, 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.

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

Additionally, recipients of Supplemental Security Income (SSI) are automatically eligible for MA if they are Michigan residents and cooperate with third-party resource liability requirements. BEM 150 (June 1, 2011), p 1. In this case, when the Social Security Administration (SSA) approved Claimant for SSI benefits, the Department provided Claimant with SSI-MA coverage. Although Claimant denied receiving SSI, the SOLQ (Single Online Query), the Department's data exchange with the SSA, and the Department's testimony concerning a conversation with SSA, established that Claimant was approved for SSI on the basis of his disability and was paid SSI for a single month in September 2011.

Claimant received retroactive Retirement, Survivors and Disability Insurance (RSDI) benefits and then received recurring monthly gross RSDI benefits of \$1307 beginning October 1, 2011 (increasing to \$1354 beginning January 2012). When SSI stops, the Department must determine the client's continued MA eligibility. BEM 150, p 5. The Department closes MA-SSI but transfers the client's MA coverage to the SSI Termination (SSIT) type of assistance until a redetermination is completed. BAM 220 (May 1, 2012), p 13; BEM 150, p 5. If a client receives RSDI based on disability, he is eligible for disability-based MA but the Department must verify the client's income, assets and receipt of RSDI based on disability, with all eligibility factors being met for each month MA is authorized. BEM 260 (October 1, 2011), pp 1-2. A redetermination packet sent to Claimant to complete to verify these factors should include the assistance application (DHS-1171) and Verification Checklist (DHS-3503) with the verifications necessary for MA processing marked. BEM 150, p 6.

The evidence presented by the Department showed that when it became aware that SSA terminated Claimant's SSI payments, it converted Claimant's coverage to MA-SSIT. It eventually sent Claimant an application and VCL requesting documentation necessary to process the MA application. The application and VCL were sent to Claimant on June 27, 2012, with a due date of July 9, 2012. The Department testified that Claimant did not respond to the VCL.

The Department acted in accordance with Department policy in requiring Claimant to complete an application and respond to the VCL in order to establish his continued MA eligibility. However, in this case the Department closed Claimant's MA-SSIT case on July 1, 2012, just days after the VCL and application were sent out and prior to the July

9, 2012, due date for the documents. It appears that the Notice of Case Action notifying Claimant of the closure of his MA-SSIT case may have been sent to him *before* the VCL and application were sent to him. By closing Claimant's MA-SSIT before the VCL due date, the Department did not act in accordance with Department policy. See BAM 130 (May 1, 2012), pp 5-6; BAM 220, p 13; BEM 150, p 6.

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 denied Claimant's application     improperly denied Claimant's application  
 properly closed Claimant's case             improperly closed Claimant's case

for:     AMP    FIP    FAP    MA    SDA    CDC    DSS.

**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.         did not act properly.

Accordingly, the Department's  AMP    FIP    FAP    MA    SDA    CDC    DSS 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. Reinstate Claimant's MA-SSIT coverage as of July 1, 2012;
2. Send Claimant the required documents and verification checklists for Claimant to complete and submit to the Department;
3. Begin reprocessing Claimant's continued eligibility for MA in accordance with Department policy;
4. Provide Claimant with the MA coverage he is eligible to receive following the processing of his continued MA eligibility;
5. Notify Claimant in writing of its decision in accordance with Department policy.



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

Date Signed: 10/19/2012

Date Mailed: 10/19/2012

**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/hw

cc:

