

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201263394
Issue No.: 2018
Case No.: [REDACTED]
Hearing Date: October 24, 2012
County: Wayne (76)

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 24, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED], Claimant's wife. Participants on behalf of Department of Human Services (Department) included [REDACTED] Eligibility Specialist, and [REDACTED], Assistance Payment Supervisor.

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 August 1, 2012, the Department
 denied Claimant's application closed Claimant's case
due to Claimant not being pregnant, the caretaker of a minor child in the home, blind
or disabled or meeting the age requirements.
3. On June 28, 2012, the Department sent
 Claimant Claimant's Authorized Representative (AR)
notice of the denial. closure.
4. On July 6, 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, at the hearing, Claimant testified that he had applied for MA coverage after his MA case closed on August 1, 2012, and his application was denied on the basis of excess assets. Claimant testified that he had requested a hearing with respect to the Department's denial and believed that the current hearing concerned that denial. However, because the current hearing request was made in connection with the June 28, 2012, Notice of Case Action closing his MA case, and the Department had not prepared for a hearing concerning the MA application denial, Claimant's hearing was limited to the issue of whether the Department properly closed his MA case effective August 1, 2012.

Claimant credibly testified that he had applied for disability benefits with the Social Security Administration (SSA) and that he received Supplemental Security Income (SSI) for a short period while his application was being processed. SSI recipients 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, the evidence established that the Department initially provided Claimant with SSI-MA coverage based on his receipt of SSI.

Claimant credibly testified that the SSA found him eligible for monthly Retirement, Survivors and Disability Insurance (RSDI) benefits beginning in April 2012, and his SSI benefits were terminated when his RSDI benefits began. 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.

In this case, Claimant credibly testified, and the Department acknowledged that it had no reason to dispute, that he continued to be disabled and he received RSDI based on his disability. 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. The Department must send Claimant a redetermination packet, which includes the assistance application (DHS-1171) and

Verification Checklist (DHS-3503) marked with the verifications necessary for MA processing, to complete in order to verify these factors. BEM 150, p 6.

In this case, the Department presented no evidence that a redetermination packet was sent to Claimant after he began receiving RSDI to determine his ongoing eligibility for MA coverage. Thus, the Department did not act in accordance with Department policy when it closed Claimant's MA-SSIT coverage without determining his ongoing MA eligibility.

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 August 1, 2012;
2. Begin reprocessing Claimant's continued eligibility for MA in accordance with Department policy, including sending Claimant the required documents and verification checklists for Claimant's completion and submission to the Department;
3. Provide Claimant with the MA coverage he is eligible to receive from August 1, 2012, ongoing; and
4. Notify Claimant of its decision in writing in accordance with Department policy.


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

Date Signed: 10/29/2012

Date Mailed: 10/29/2012

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:

