

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

IN THE MATTER OF:



Reg. No.: 201315702
Issue No.: 2027
Case No.: [REDACTED]
Hearing Date: May 1, 2013
County: Wayne DHS (76)

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 May 1, 2013, from Detroit, Michigan. Participants included the above-named claimant. [REDACTED] testified on behalf of Claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly terminated Claimant's Medical Assistance following the termination of Supplemental Security Income (SSI) benefits.

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 SSI and MA benefit recipient.
2. On an unspecified date, Social Security Administration (SSA) terminated Claimant's SSI eligibility.
3. On 11/21/12, DHS initiated termination of Claimant's MA benefit eligibility, effective 1/2013, due to the end of Claimant's receipt of SSI.
4. On 11/30/12, Claimant requested a hearing to dispute the MA benefit termination.

5. On 12/4/12, DHS mailed Claimant an Assistance Application.
6. Claimant failed to return the Assistance Application.

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 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).

Claimant testified that he requested a hearing to appeal a termination of SSI benefits. Claimant believed that SSA ended his SSI eligibility because he was no longer considered to be a disabled individual.

SSI is a cash benefit for needy individuals who are aged (at least 65), blind or disabled. BEM 150 (6/2011), p. 1. SSA determines SSI eligibility. *Id.*

Claimant's reason for requesting a hearing is strange in that DHS does not issue SSI benefits. It was established that Claimant's requested a hearing was tied to a DHS case action from 11/21/12. That case action was a termination of MA benefits. There is some overlap with SSI because DHS issued MA benefits to Claimant because Claimant was an SSI recipient. When Claimant's SSI eligibility ended, DHS terminated Claimant's MA eligibility.

When SSI benefits stop, central office evaluates the reason based on SSA's negative action code, then does one of the following (*Id.*, p. 5):

- SSI Closure. MA-SSI is closed in Bridges if SSI stopped for a reason that prevents continued MA eligibility (for example, death, moved out of state). Bridges sends the recipient an DHS-1605.
- SSI cases not closed due to the policy above are transferred to the SSI Termination (SSIT) Type of Assistance. A redetermination date is set for the second month after transfer to allow for an ex parte review.

DHS policy allows the continuance of MA benefits pending the outcome of an SSI termination appeal. MA eligibility continues for an individual who (*Id.*, p. 6):

- has been terminated from SSI because he is no longer considered disabled or blind; and
- has filed an appeal of the termination with SSA within SSA's 60-day time limit; and
- is a Michigan resident.

Claimant and his mother testified that Claimant timely appealed the termination of SSI benefits. Verification of the appeal was not presented. The accuracy of the testimony

has to be questioned considering that Claimant thought that the DHS administrative hearing was going to address the termination of SSI benefits. Claimant's testimony was not consistent with a strong grasp of facts. Based on the presented evidence, there is insufficient evidence that Claimant timely appealed the SSI denial. Thus, it is found that DHS had no reason to continue Claimant's MA benefit eligibility based on Claimant being a disabled individual. Despite the finding, DHS had further procedural requirements prior to terminating Claimant's MA benefit eligibility.


An ex parte review is required before Medicaid closures when there is an actual or anticipated change, unless the change would result in closure due to ineligibility for all Medicaid. *Id.* When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. *Id.* The review includes consideration of all MA categories. *Id.* When an SSI-T EDG is set in Bridges, the specialist will receive the following Task/Reminder (T/R): send DHS-1171 to client as Medicaid Transitional SSI case newly Certified. *Id.* If continued MA eligibility does not exist, use standard negative action procedures. *Id.*

There were doubts whether DHS properly considered Claimant's eligibility for other types of MA prior to terminating Claimant's MA benefit eligibility. DHS conceded that Claimant was not mailed an Assistance Application (the DHS-1171) until closure of Claimant's MA benefit eligibility was initiated. As noted above, DHS policy shoots for the mailing to occur as early as 90 days prior to closure. The issue became moot when Claimant could not testify that he ever returned the Assistance Application. Claimant thought that he returned the application, but he also clarified that he returned a one page document rather than the 20+ page application. Though DHS should have mailed Claimant a DHS-1171 prior to the case closure, Claimant's failure to return the DHS-1171 is the more significant procedural lapse. Without the application, DHS cannot evaluate Claimant for any other MA categories.

Based on the presented evidence, it is found that DHS properly terminated Claimant's MA benefit eligibility. As discussed during the hearing, Claimant may reapply for MA benefits (and cash benefits) at any time by completing and returning an Assistance Application to DHS.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly terminated Claimant's MA benefit eligibility, effective 1/2013. The actions taken by DHS are AFFIRMED.


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

Date Signed: 5/9/2013

Date Mailed: 5/9/2013

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:

