

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 20131996
Issue No.: 2025
Case No.: [REDACTED]
Hearing Date: January 3, 2013
County: Oakland (02)

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 January 3, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Sophia Marks, Claimant's mother and Authorized Hearing Representative (AHR). Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Supervisor, and [REDACTED], Assistance Payment Worker.

ISSUE

Did the Department properly conclude that Claimant was not eligible for Medical Assistance (MA) coverage as an Disabled Adult Child (DAC)?

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 is disabled.
2. On July 23, 2012, when he was 19 years old, Claimant applied for MA coverage.
3. Because there was information on the application that Claimant was a DAC, the Department sent an inquiry to its central office in Lansing to confirm Claimant's DAC status.

4. On September 20, 2012, the Lansing office advised the Department worker that Claimant was not eligible for MA as a DAC.
5. On September 20, 2012, the Department sent Claimant a Notice of Case Action informing him that he was eligible for MA coverage under the Group 2-under 21 program with a monthly \$841 deductible.
6. On September 24, 2012, Claimant filed a request for hearing, disputing the Department's action.

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.

Additionally, Claimant applied for MA on July 23, 2012. On September 20, 2012, the Department notified Claimant that he was eligible for MA coverage under the Group 2-Under 21 program with an \$841 monthly deductible. See BEM 132 (October 1, 2010, p 2).

At the hearing, Claimant's AHR contended that Claimant was eligible for full-MA coverage as a DAC. Under BEM 158 (October 1, 2010), pp 1-2, MA is available to a person receiving DAC (also called Childhood Disability Beneficiaries' or CDBs') RSDI benefits under section 202(d) of the Social Security Act **if** he or she meets **all** of the following conditions:

- is age 18 or older; and
- received SSI; and
- ceased to be eligible for SSI on or after July 1, 1987, because he became entitled to DAC RSDI benefits under section 202(d) of the Act or an increase in such RSDI benefits; and
- is currently receiving DAC RSDI benefits under section 202(d) of the Act; and
- would be eligible for SSI without such RSDI benefits.

In this case, because Claimant's mother indicated in Claimant's MA application that Claimant was a DAC, the Department worker testified that she requested that central office verify Claimant's DAC status. The Department received a notice from the central office that advised the Department that Claimant was not eligible for MA as a DAC because his SSI eligibility ended due to a parent's countable income, not due to the start or increase of any DAC RSDI benefits.

Under the third criteria for DAC MA eligibility under BEM 158, p 2, a client must have ceased to be eligible for SSI on or after July 1, 1987, because he became entitled to DAC RSDI benefits under section 202(d) of the Act or an increase in such RSDI benefits. At the hearing, Claimant's AHR testified that Claimant initially applied for benefits from the Social Security Administration (SSA) based on his disability in 1997 when he was four years old and that he was approved for Supplemental Security Insurance (SSI) benefits. Claimant's AHR further credibly testified that Claimant's SSI benefits were short-lived and he subsequently received Retirement, Survivors and Disability Insurance (RSDI) income based on her disability. When Claimant's father was approved for SSA-disability benefits, Claimant's RSDI benefits were based on his father's benefits. This testimony supports the Department's finding that Claimant's SSI payments ended because he received RSDI based on his parent's status and not because he received DAC RSDI. The Department concluded, as supported by Claimant's Single-Online Query (SOLQ) (the Department's interface with the SSA), that

the SSA concluded that Claimant's disability onset date for DAC RSDI purposes was March 31, 2011. At that time, Claimant became eligible for DAC RSDI benefits. (see also <https://www.socialsecurity.gov/dibplan/dqualify10.htm#age22> providing that a disabled adult may be eligible for federal child's benefits if a parent is deceased or starts receiving retirement or disability benefits **and** the adult child is unmarried, age 18 or older, and has a disability that started before age 22). Because Claimant became eligible for DAC RSDI income on April 1, 2011, the termination of Claimant's SSI benefits in 1997 was not due to the start or increase of his receipt of any DAC RSDI. Thus, the Department acted in accordance with Department policy when it concluded that Claimant was not eligible for DAC MA because he did not meet the third criteria for eligibility. While the effect of the policy is to punish a disabled child who received RSDI benefits prior to age 18, the undersigned's authority in this matter is limited to determining whether the Department acted in accordance with Department policy when it denied Claimant's application for MA as a DAC and there are no equitable remedies available to Claimant pursuant to the administrative process.

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 it concluded that Claimant was not eligible for DAC MA coverage.

did not act properly when .

Accordingly, the Department's decision is AFFIRMED REVERSED for the reasons stated on the record and above.



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

Date Signed: January 24, 2013

Date Mailed: January 24, 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

ACE/hw

cc:

