

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

**IN THE MATTER OF:**



Reg. No.: 201324347  
Issue No.: 2009  
Case No.: [REDACTED]  
Hearing Date: June 12, 2013  
County: Chippewa

**ADMINISTRATIVE LAW JUDGE:** Gary F. Heisler

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on June 12, 2013. Claimant appeared and testified.

**ISSUE**

Did the Department of Human Services properly deny Claimant's December 3, 2012 application for Medical Assistance (MA)?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

- (1) Claimant was an ongoing recipient of Medical Assistance (MA) under Department of Human Services Bridges Eligibility Manual (BEM) 174 Freedom To Work (FTW) (2012).
- (2) On December 1, 2010, the Social Security Administration placed Claimant's Supplemental Security Income (SSI) in non-payment status under status code T-31.
- (3) On November 30, 2012, Claimant's Medical Assistance (MA) under FTW closed.
- (4) On December 3, 2012, Claimant submitted an application for Medical Assistance (MA).

- (5) On December 20, 2012, Claimant was sent a Notice of Case Action (DHS-1605) which stated his Medical Assistance (MA) application was denied.
- (6) On December 26, 2012, Claimant submitted a request for hearing.

### **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). The Department of Human Services (DHS or department) 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 Program Reference Manual (PRM).

In this case the Department's denial of Medical Assistance (MA) under FTW is based on information received from the Social Security Administration. The Department asserts that SSA informed them Claimant's SSI closed on October 1, 2009 due to excess income, his SSI was terminated on December 1, 2010 due to being inactive for 12 months, and that in order to receive disability benefits again Claimant would have to reapply and be deemed disabled.

The Department interpreted the information from SSA as a statement from them that Claimant no longer met their disability standard. That interpretation was applied BEM 174 and it was determined that Claimant was not eligible for FTW in accordance with the criteria in BEM 174.

The following are some of SSA's payment status codes:  
C01 current pay;

N01 nonpay – recipients countable income exceeds title XVI FBR;  
N05 nonpay – unable to determine if eligibility exists;  
N07 nonpay – cessation of recipient's disability;  
N16 nonpay – disabled claim denied, applicant not disabled;  
N27 nonpay – termination due to substantial gainful activity (SGA);  
T31 terminated – system generated termination.

The SSA requires periodic re-determination of some recipients' disability. Claimant's SOLQ shows he had such a re-determination on February 13, 2009. There is no evidence in this record that shows SSA looked at Claimant's medical records or condition and made a determination that he no longer met their disability standards. The requirement for Claimant to reapply for SSA disability benefits once his SSA case closed is no different than a FAP recipient having to reapply if their FAP case closed. It does not mean they are not eligible for FAP, it just means they have to re-establish their eligibility.

The Department has not presented any evidence which shows Claimant does not meet the medical disability standard. This record is insufficient to show that denial of Claimant's Medical Assistance (MA) for FTW was correct. BEM 174 provides for a Medical Review Team (MRT) disability determination if the Department feels an applicant's status as disabled is questionable.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services DID NOT properly deny Claimant's December 3, 2012 application for Medical Assistance (MA).

It is ORDERED that the actions of the Department of Human Services, in this matter, are REVERSED.

It is further ORDERED that Claimant's December 3, 2012 Medical Assistance (MA) application be reinstated and processed in accordance with Department policy.

/s/

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Gary F. Heisler  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 7/2/13

Date Mailed: 7/3/13

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

201324347/GFH

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

GFH/tb

cc:

