

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201334998
Issue No.: 2008
Case No.: [REDACTED]
Hearing Date: June 20, 2013
County: Oakland County (#02)

ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's March 11, 2013 request for a hearing. After due notice, a telephone hearing was conducted on Thursday, June 20, 2013, from Detroit, Michigan. The Claimant appeared and testified. Participant on behalf of Department of Human Services (Department) was [REDACTED] (Eligibility Specialist).

ISSUE

Whether the Department properly closed the Claimant's Medical Assistance (MA) 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. The Claimant was an ongoing MA-SSI recipient.
2. On October 19, 2012, the Social Security Administration issued a decision finding the Claimant disabled as of August 31, 2010; with sufficient earnings to remain insured through December 31, 2013. (Exhibit 4)
3. Effective February 1, 2013, the Claimant receives \$1,918.00/monthly in Retirement, Disability, Survivors and Disability Insurance (RSDI).

4. On February 8, 2013, the Department sent Claimant a verification checklist (VCL) requesting verification of assets and income due by February 19, 2013 to determine Claimant's eligibility for other MA programs. (Exhibit 2)
5. The Claimant did not return the requested verifications by the due date.
6. On March 1, 2013, the Department sent Notice of Case Action terminating Claimant's MA-SSI case effective April 1, 2013. (Exhibit 3)
7. On March 11, 2013, the Department received Claimant's written hearing request disputing the Department action.

CONCLUSIONS OF LAW

The Department of Human Services (DHS) policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

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 goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105 (October 2010), p. 1. The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. BEM 105, p. 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled.

Clients must cooperate with the local office in determining initial and ongoing eligibility to include the completion and submission of the necessary forms. BAM 105 (September 2012), p. 5. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130 (May 2012), p. 1. The client must obtain the required verification, however, the Department must assist if needed and/or requested. BAM 105, p. 8; BAM 130, p. 3. Clients are allowed 10 calendar days (or other time limit specified in policy) to provide requested verifications. For MA purposes, a case action notice is sent when the client indicates a refusal to provide the verification or the time period provided has lapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 5. Verification of assets and/or income is required in determining MA eligibility.

Both Supplemental Security Income (SSI) and RSDI income are federally funded programs through SSA that provide monthly income to individuals too disabled to work. SSI is based on financial need not work history. Low income, disabled adults and children without enough social security credits generally collect SSI payments. On the other hand an individual must have earned a pre-determined amount of income prior to

disability to qualify for disability insurance payments. As a result RSDI income is treated differently than SSI income when determining eligibility for MA. SSI income is excluded but the gross amount of RSDI income is countable.

In this case, the Claimant was determined disabled by Social Security Administration pursuant to an appeal decision issued in October 2012. She began receiving \$1,918.00/ monthly RSDI income in February 2013. As a result of the decision the Claimant would no longer receive SSI payments. The Department initiated determining Claimant's eligibility for other MA programs and sent a verification checklist with a due date of February 19, 2013. Claimant acknowledged that she did not return the requested verifications because she felt the Department was not following the orders of the October 19, 2013 SSA decision which held she had sufficient earnings to remain insured through December 31, 2013. While SSA found Claimant eligible to receive disability insurance payments based on disability, the statement does not refer to Medicaid coverage. The Department is required to verify all countable income and assets that are not excluded (ex. SSI payments) when determining eligibility for Medicaid programs. Claimant did not provide the necessary verifications to determine eligibility. Therefore, the Department established it acted in accordance with policy when it closed Claimant's MA-SSI. Claimant may reapply at any time.

Accordingly, the Department's action is upheld.

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 closed Claimant's MA benefits effective April 1, 2013.

Accordingly, the Department's MA determination is hereby, **AFFIRMED**.

M. Howie

Michelle Howie
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 6/27/2013

Date Mailed: 6/27/2013

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

MH/hw

cc:

