

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201329018
Issue No.: 2027
Case No.: [REDACTED]
Hearing Date: July 17, 2013
County: Jackson

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 three-way telephone hearing was held on July 17, 2013 from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] (Authorized Hearing Representative (AHR) from [REDACTED]). Participants on behalf of the Department of Human Services (Department) included [REDACTED] (Assistance Payments Supervisor).

ISSUE

Did the Department properly determine Claimant's eligibility for Medical Assistance (MA) based on Claimant's Supplemental Security Income (SSI)?

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 became entitled to SSI effective September 1, 2010.
2. On January 30, 2013, Claimant's AHR requested a hearing to prompt the Department "to enter SSI-Related MA coverage on the system."

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the 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 2000 ACS, 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.

Supplemental Security Income (SSI) is a cash benefit for needy individuals who are aged (at least 65), blind or disabled. The Social Security Administration (SSA) determines SSI eligibility. In Michigan, DHS supplements federal SSI payments based on the client's living arrangement. BEM 150. **According to BAM 115, a DHS-1171 is not required for SSI recipients. (See BAM 115 at p. 8).**

To be automatically eligible for Medicaid (MA) an SSI recipient must both be a Michigan resident and cooperate with third-party resource liability requirements. BEM 150. DHS administers MA for SSI recipients, including a continued MA eligibility determination when SSI benefits end. BEM 150.

Ongoing MA eligibility begins the first day of the month of SSI entitlement. BEM 150. Some clients also qualify for retroactive (retro) MA coverage for up to three calendar months prior to SSI entitlement. BEM 150 p 1.

An automated process tries to match new SSI recipients on the State Data Exchange (SDX) file with persons active in other programs on Bridges. BEM 150. What happens next depends on what type of match is found.

- Exact match found:
 - If the individual is receiving MA in Bridges, EDBC is run in mass update to close MA under the current case and open ongoing SSI under a new case number.
- Possible match found:
 - The case is reported to the SSI Coordination Unit for manual processing.
 - The SSI Coordination Unit completes the manual SSI opening and transfers the SSI case to the appropriate local office.
- No possible match:
 - Bridges opens a new SSI case and assigns it to a specialist in the appropriate local office based on the individual's residence. See BEM 150, p. 2.

Here, Claimant contends she became entitled to SSI effective September 1, 2010. Claimant further contends that, on June 27, 2012, she submitted an Assistance Application (DHS-1171) seeking Retro MA coverage back to August 2010. Claimant requests the Department begin her MA eligibility beginning the first day of the month of SSI entitlement (September 2010) per BEM 150. Claimant also indicates that BAM 115 states that "Retro MA coverage is available back to the first day of the third calendar month prior to . . . entitlement to SSI." The Department, on the other hand, contends that BEM 150 does not address whether the Department must have an application prior to the initiation of MA-SSI based eligibility. On February 11, 2013, the Department forwarded a Verification Checklist (DHS-3503) directly to Claimant seeking verification of an application and a copy of all unpaid bills. Claimant responds that BEM 150 does not specifically require that Claimant provide an application because per BEM 150, "ongoing eligibility begins the first day of the month of SSI entitlement." The Department representative who attended the hearing indicated that Claimant's case was forwarded to the Medicaid Policy Unit (MPU) for policy clarification, but at the time of the hearing in this matter, no response had been received.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). The weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569

NW2d 641 (1997). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. There is no dispute that Claimant's SSI eligibility began on September 1, 2010. Both BAM 115 and BEM 150 provide that an application is not required for SSI recipients. BEM 150 also clearly indicates that "ongoing eligibility begins the first day of the month of SSI entitlement." This policy also describes an automated process to match new SSI recipients on the SDX file with persons active in other programs on Bridges. The Department has not provided this Administrative Law Judge with any policy or other authority which conflicts with BEM 150. Based on the competent, material, and substantial evidence presented during the hearing, this Administrative Law Judge finds that Claimant is not required to submit an application or medical bills to the Department based on BAM 115 and BEM 150.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did not act properly.

Accordingly, the Department's MA decision is **REVERSED**.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

The Department shall initiate a redetermination of Claimant's MA eligibility based on her SSI entitlement status per BAM 115 and BEM 150.

/s/ _____
C. Adam Purnell
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 25, 2013

Date Mailed: July 30, 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 affect the substantial rights of the claimant,
 - 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

CAP/aca

cc:

