

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-32579  
Issue No(s): 2001  
Case No.: [REDACTED]  
Hearing Date: April 16, 2014  
County: Oakland County DHS #3

**ADMINISTRATIVE LAW JUDGE:** Colleen Lack

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on April 16, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED], father and Guardian, [REDACTED] mother, and [REDACTED], Macomb Oakland Regional Center. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payments Supervisor.

**ISSUE**

Did the Department properly close Claimant's SSI-Medicaid case?

**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 a recipient of SSI-Medicaid benefits.
2. On January 30, 2014, a Notice of Case Action was issued to Claimant stating the SSI-Medicaid case would close effective March 1, 2014.
3. On February 11, 2014, a request for hearing was filed on Claimant's behalf contesting 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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

Additionally, BEM 150 addresses SSI terminations:

### **SSI TERMINATIONS**

When SSI benefits stop, central office evaluates the reason based on SSA's negative action code, then does one of the following:

- **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.
- **Transfer to SSIT.** 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; see glossary.

### **Local Office Responsibilities for Cases Transferred to SSIT**

Based on current circumstances, determine whether the client qualifies for MA under:

- **MA While Appealing Disability Termination** in this item, or
- Any other MA category; see BEM 105.

**Note:** An ex parte review (see glossary) 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. When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. The review includes consideration of all MA categories; see BAM 115 and 220.

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 Medic-aid Transitional SSI case newly Certified. The T/R has a 15 day due date. On or before the Task/Reminder due date the specialist should mail a redetermination packet to the client and authorized representative. The redetermination packet should include the DHS-1171 Assistance Application and the Word version of

the DHS-3503 Verification Checklist. The specialist should mark the verifications required for Medicaid on the DHS-3503.

Process the application through Initiate Interview, Intake, in Bridges. Generate the appropriate disability forms Do **not** require an updated or new application form when you know eligibility exists under **MA While Appealing Disability Termination** in this item.

Complete the review during the second month of the SSI-T. Document all factors in the case record, including disability and blind-ness.

If continued MA eligibility does **not** exist, use standard negative action procedures.

BEM 150, 1-1-2014, pp.6-7

Per BEM 105, 1-1-2014, p. 4, other SSI-related categories that must be considered include: BEM 158, Disabled Adult Children (DAC); as well as BEM 166, Group 2 Aged, Blind and Disabled and BEM 165, Medicare Savings Programs (QMB, SLMB).

Per BEM 260 7-1-2013, p. 2, a person eligible for Retirement, Survivors and Disability Insurance (RSDI) benefits based on his disability or blindness meets the disability or blindness criteria.

In this case, a SOLQ report showed Claimant's SSI payments stopped in January 2013 and RSDI payments began in July 2013. The Assistance Payments Supervisor testified the SOLQ shows Claimant is receiving RSDI based on disability.

On January 30, 2014, a Notice of Case Action was issued to Claimant stating the SSI-Medicaid case would close effective March 1, 2014. The Department did not timely or correctly determine the change in Medicaid eligibility based on the change in Claimant's Social Security Administration issued benefits. There is no evidence that the Department followed the BEM policy to determine whether the Claimant qualified for MA under any other Medicaid category when the Notice of Case Action was issued.

The hearing summary indicates Claimant was sent a form to reapply for Medical benefits. Subsequently, Claimant re-applied for Medicaid and has been preliminarily approved for Medicaid to be restored retroactive to the date of the SSI-Medicaid closure awaiting a determination from the Disabled Adult Child (DAC) review team. The Department is awaiting the DAC determination as this will affect whether or not Claimant's has a monthly Medicaid deductible.

Claimant's father testified that the Claimant is severely mentally impaired, is non-verbal and has been that way since birth. Claimant needs assistance with practically everything.

The evidence establishes that the Department failed to timely and correctly re-determine Claimant's Medicaid eligibility when the SSI payments ended by considering

whether Claimant qualified for any other Medicaid categories, such as DAC or disability established by the SOLQ documenting RSDI based on disability.


The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it closed Claimant's SSI-Medicaid case.

**DECISION AND ORDER**

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Re-instate Claimant's Medicaid case retroactive to March 1, 2014 and re-determine eligibility in accordance with Department policy.
2. Issue written notice of any case actions in accordance with Department policy.



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Colleen Lack  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: May 6, 2014

Date Mailed: May 6, 2014

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides or has its principal place of business in the State, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

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The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-07322

CL/hj

cc:

