

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-005060  
Issue No.: 2004; 4000  
Case No.: [REDACTED]  
Hearing Date: November 17, 2014  
County: Wayne (82)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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, an in-person hearing was held on November 17, 2014, from Detroit, Michigan. [REDACTED] testified and appeared as Claimant's authorized hearing representative / legal counsel. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Supervisor.

**ISSUES**

The first issue is whether DHS properly denied Claimant's application for Medical Assistance (MA) without factoring Claimant's allegation of disability.

The second issue is whether Claimant established administrative hearing jurisdiction for a State Disability Assistance (SDA) dispute.

**FINDINGS OF FACT**

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

1. On [REDACTED], Claimant applied for MA benefits.
2. Claimant's application listed a claim of disability.
3. On [REDACTED], DHS denied Claimant's application for MA benefits without factoring Claimant's allegation of disability, and mailed an Application Eligibility Notice (Exhibit 2) to Claimant.

4. On [REDACTED], Claimant's AHR requested a hearing to dispute a denial of MA and State Disability Assistance (SDA) benefits.

### **CONCLUSIONS OF LAW**

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

Prior to a substantive analysis, multiple procedural issues must be addressed. First, DHS alleged that Claimant's hearing request was untimely, and therefore appropriately dismissed.

DHS policy provides a specific timeframe in which a hearing request must be submitted. The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing. BAM 600 (7/2013), p. 5.

DHS mailed a written notice of denial on 3/17/14 (see Exhibit 1). Claimant's AHR faxed a hearing request to DHS on [REDACTED]. The 90<sup>th</sup> day after [REDACTED] was [REDACTED]. It is of little concern that DHS did not date stamp the hearing request as received until the following business day. Claimant's hearing request was timely.

Claimant's AHR alleged that DHS failed to evaluate Claimant's MA eligibility based on a claim of disability. It was not definitively established that Claimant alleged a claim of disability in a submitted application.

Neither DHS nor Claimant's AHR provided a copy of Claimant's application. Claimant did not appear for the hearing. Thus, both sides had shortcomings in their case presentation.

DHS presented their arguments for denying Claimant's application in a 4-sentence Hearing Summary. Each sentence represented one argument justifying the denial. Presumably, if Claimant failed to allege disability in his application, DHS would have raised the failure in their Hearing Summary; DHS did not raise such an argument. This consideration makes it probable that Claimant alleged disability within his MA application.

The DHS Hearing Summary also noted that Claimant was denied Social Security Administration benefits in 1/2013. DHS failed to make any argument why such a denial is relevant. Presumably, DHS raised the issue because there are occasions when an unfavorable finding of disability by SSA is binding on a claimant and DHS. The DHS written denial did not cite a denial of SSA benefits as binding, thus, the DHS argument is given little value. The inclusion of the argument is only notable because a federal claim of disability renders it more likely that Claimant would alleged disability when applying for MA benefits.

It was not disputed that Claimant received Healthy Michigan Plan benefits beginning 4/2014. The DHS Hearing Summary implied that Claimant is not entitled to a determination of disability for months that HMP benefits were issued.

The Medicaid program is comprised of several sub-programs or categories. BEM 105 (1/2014), 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. *Id.*

DHS policy outlines detailed procedures for evaluating a client's MA benefit eligibility based on a claimed disability. Step one is that the client claims disability. BAM 815 (7/2013), p. 2. Once a client claims disability, DHS is to complete a 26-step procedure, which includes requesting medical documentation supporting disability. *Id.*, pp. 2-8.

Rather than performing a disability evaluation, DHS only evaluated Claimant for AMP eligibility before denying Claimant's application. The failure to evaluate Claimant for Medicaid based on disability is reversible error. The failure to evaluate Claimant's allegation of disability is not lessened by a client's receipt of HMP benefits. As noted by Claimant's AHR, clients are eligible for additional programs when Medicaid- eligible (e.g. chore services). It is found that DHS improperly failed to evaluate Claimant's allegation of disability concerning MA eligibility.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant's AHR requested a hearing, in part, based on a denial of SDA benefits. Claimant's AHR testified that he was uncertain that Claimant applied for SDA benefits, but as a precautionary measure, requested the hearing for SDA.

Neither DHS nor Claimant's AHR presented definitive evidence whether Claimant applied for SDA benefits. An Application Eligibility Notice (Exhibit 1) noted only a denial

of MA benefits; presumably, because SDA benefits were not requested. It is found that Claimant did not apply for SDA benefits

The Michigan Administrative Hearing System may grant a hearing about any of the following:

- denial of an application and/or supplemental payments;
- reduction in the amount of program benefits or service;
- suspension or termination of program benefits or service
- restrictions under which benefits or services are provided;
- delay of any action beyond standards of promptness; or
- the current level of benefits or denial of expedited service (for Food Assistance Program benefits only).

BAM 600 (7/2013), p. 3.

Given the finding that Claimant did not apply for SDA benefits, Claimant's AHR failed to establish any basis for a hearing to dispute Claimant's SDA eligibility. Accordingly, Claimant's AHR's request for SDA benefits is appropriately dismissed.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant failed to establish any basis for an SDA benefit dispute. Claimant's hearing request is **PARTIALLY DISMISSED**.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application for MA benefits. It is ordered that DHS perform the following actions:

- (1) reinstate Claimant's MA application dated [REDACTED];
- (2) initiate processing of Claimant's application subject to the following findings:
  - a. Claimant's application dated [REDACTED] alleged a claim of disability; and
  - b. Claimant is entitled to a disability evaluation despite receipt of HMP benefits.

The actions taken by DHS are **REVERSED**.



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**Christian Gardocki**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **11/26/2014**

Date Mailed: **11/26/2014**

CG / hw

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, 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.

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 48909-8139

cc:



