

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-002501
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: March 23, 2015
County: Wayne (15)

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, a telephone hearing was held on March 23, 2015, from Detroit, Michigan. [REDACTED] testified and appeared as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED], specialist, and [REDACTED], manager.

ISSUE

The issue is whether DHS properly did not process Claimant's Medical Assistance (MA) eligibility due to Claimant's concurrent receipt of out-of-state Supplemental Security Income (SSI) 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. Claimant was an ongoing SSI recipient.
2. Claimant was an [REDACTED] resident.
3. On an unspecified date before 7/2013, Claimant moved to Michigan and applied for Medical Assistance (MA) benefits.
4. Claimant was an SSI recipient of the State of [REDACTED] through 7/2013.
5. On an unspecified date, DHS processed Claimant's MA eligibility from 8/2013.

6. On [REDACTED], DHS denied Claimant's MA eligibility from 7/2013 due to receipt of out-of-state MA benefits in 7/2013.
7. On [REDACTED], Claimant requested a hearing to dispute the reasoning for the denial of MA eligibility from 7/2013.

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. DHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. DHS policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

Claimant's AHR's hearing request noted that special arrangements were required for participation in the hearing; specifically, a 3-way telephone hearing was requested. Claimant's AHR's request was granted and the hearing was conducted accordingly.

Claimant's AHR requested a hearing to dispute the denial of Claimant's MA eligibility for the month of 7/2013. DHS first contended that Claimant was barred by a previous administrative decision from pursuing MA benefits from 7/2013.

DHS presented a Hearing Decision (Exhibits 1-4) from a hearing dated [REDACTED]. The hearing decision considered Claimant's hearing request seeking DHS to make a determination of Claimant's MA eligibility from 7/2013. The presented decision dismissed Claimant's hearing request. The administrative judge found that DHS denied Claimant's eligibility for 7/2013, and therefore, Claimant's hearing request was resolved. The administrative judge advised that if Claimant objected to the denial, another hearing request was necessary. Claimant followed the judge's advice, which led to the hearing decision at hand. It is found that Claimant is not barred by a previous administrative hearing decision to dispute a denial of MA benefits from 7/2013.

The analysis will proceed to determine if DHS properly denied Claimant's MA eligibility from 7/2013. DHS contended that Claimant's 7/2013 MA eligibility was properly denied because Claimant received SSI benefits from [REDACTED].

It was not clear what SSI benefits from [REDACTED] that Claimant received. SSI benefits are a federal-program that potentially results in state-issued Medicaid and cash assistance. DHS did not specify what SSI benefits that Claimant received from [REDACTED] in 7/2013.

Claimant denied that she received any medical benefits from the State of [REDACTED]. It would be immensely improbable that a client received SSI benefits but not medical benefits. Claimant's testimony was not credible, however, DHS only presented evidence that Claimant received SSI benefits in 7/2013 from the State of [REDACTED], not MA benefits.

The evidence was mixed concerning whether Claimant received MA benefits from [REDACTED] in 7/2013. Examining Claimant's state of residency as of 7/2013 may shed some light on whether Claimant received MA benefits from [REDACTED] in 7/2013.

Claimant's AHR asserted that Claimant was a Michigan resident as of 7/2013. DHS conceded that Claimant applied for Food Assistance Program (FAP) benefits in Michigan in 6/2013. It was not disputed that Michigan issued FAP benefits to Claimant for 7/2013. It was not disputed that Claimant was hospitalized in Michigan in 7/2013. These factors support a finding that Claimant was a Michigan resident in 7/2013.

Hearing testimony referenced a Social Security Administration letter dated [REDACTED] addressed to Claimant's residence in [REDACTED]. DHS testimony also referenced a document obtained from a data exchange with SSA from 7/2013 which listed that Claimant had an [REDACTED] mailing address. This evidence supports a finding that Claimant was not a Michigan resident in 7/2013.

Claimant's state of residency in 7/2013 was not clear based on presented evidence. Thus, a conclusion of whether Claimant received State of [REDACTED] MA benefits is still uncertain.

Claimant's receipt of SSI benefits from [REDACTED] is highly indicative of medical benefits from another state, despite Claimant's testimony to the contrary. As an SSI recipient through the State of [REDACTED] Claimant was potentially eligible to have her hospital bill paid by her Medicaid coverage through the State of [REDACTED]

It is extraordinarily tempting to conclude the analysis by finding that DHS properly did not process Claimant's MA eligibility for 7/2013 due to [REDACTED] issued MA benefits. Claimant's AHR contended that DHS can issue MA benefits to Claimant even if Claimant received MA benefits from [REDACTED]

Benefit duplication means assistance received from the same (or same type of) program to cover a person's needs for the same month. BEM 222 (7/2013), p. 1. For example, FIP from Michigan and similar benefits from another state's cash assistance program. *Id.* As specified in the balance of this item, benefit duplication is prohibited except for MA and FAP in limited circumstances (see MA Benefits and FAP Benefits in this item). *Id.*

DHS policy does not expressly describe what "limited circumstances" justify duplicate assistance issuance. DHS policy provides some guidelines for duplicative assistance involving MA benefits.

DHS is to assume an MA or AMP applicant is not receiving medical benefits from another state unless evidence suggests otherwise. *Id.*, p. 2. Do not delay the MA/AMP determination. *Id.* Upon approval, notify the other state's agency of the effective date of the client's medical coverage in Michigan. *Id.*, pp. 2-3.

Claimant's AHR's contention is counterintuitive. For most programs, DHS policy clearly prohibits clients from obtaining the same benefits from multiple states within the same month. The purpose of prohibiting concurrent benefits makes sense for food benefits, cash benefits, and day care benefits. Presumably, the purpose of such policy is to discourage clients from exploiting the safety net to receive multiple issuances of benefits. Medical benefits are different from other benefit programs.

If Claimant received the maximum amount of food benefits from Michigan and [REDACTED] Claimant would end up with double the food benefits for which she's be entitled. The same would be true if Claimant received cash benefits. If Claimant received medical benefits from Michigan and [REDACTED], there is no Claimant windfall to be had. Thus, there is a commonsensical reason to believe that DHS does not prohibit the issuance of MA benefits despite concurrent eligibility in another state.

Claimant's AHR's contention is further bolstered by factoring that MA often does not pay for out-of-state medical expenses. Prohibiting concurrent receipt of MA benefits would force clients to be essentially uninsured for a part of the month in which they resided in the state for which they did not receive MA benefits. As an example, let it be assumed that Claimant moved to Michigan from [REDACTED] on [REDACTED]. Let it also be assumed that Claimant was covered by [REDACTED] MA coverage when she moved to Michigan. MA coverage is understood to be issued monthly. It is likely that Claimant's [REDACTED] coverage would not pay for Claimant's medical expenses during her time in Michigan from [REDACTED]. If Michigan does not issue concurrent MA benefits, then Claimant is essentially uninsured for the period of 6 [REDACTED].

It is found that DHS policy does not prohibit the issuance of MA benefits to Claimant for 7/2013. Accordingly, it is found that DHS erred by denying Claimant's 7/2013 MA eligibility on the basis of Claimant's receipt of out-of-state SSI benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's 7/2013 MA eligibility due to concurrent receipt of benefits. It is ordered that DHS perform the following actions:

- (1) redetermine Claimant's 7/2013 MA eligibility subject to the finding that Claimant is not barred from receiving MA benefits due to receipt of [REDACTED] benefits; and
- (2) initiate a supplement for any benefits improperly not issued.

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



Christian Gardocki
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

Date Signed: **3/27/2015**

Date Mailed: **3/27/2015**

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:

