



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
Christopher Seppanen  
Executive Director

MIKE ZIMMER  
DIRECTOR



Date Mailed: March 30, 2016  
MAHS Docket No.: 16-001206  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton**

**HEARING DECISION**

Following Petitioner'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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on March 17, 2016, from Detroit, Michigan. The Petitioner was present and represented by [REDACTED] his Authorized Hearing Representative. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistant Payments Worker.

**ISSUE**

Did the Department properly determine that Petitioner was eligible for MA benefits subject to a deductible?

**FINDINGS OF FACT**

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

1. Petitioner is an ongoing MA recipient.
2. Petitioner received SSI benefits until his father passed away in 2002.
3. Petitioner's SSI benefits were converted to RSDI benefits.
4. In June 2010, the Department determined that Petitioner was eligible for full MA subject to a deductible.

5. Petitioner's AHR was unaware that Petitioner had been determined to be eligible for MA subject to a deductible.
6. After Petitioner's AHR became aware of the deductible requirement, she filed a Request for Hearing disputing the Department's actions.

### **CONCLUSIONS OF LAW**

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

Additionally, in June 2010, the Department determined that Petitioner was eligible for MA coverage under the Group 2-Under 21 program with a monthly deductible. See BEM 132 (March 1, 2010, p 2).

At the hearing, Petitioner's AHR testified that she was unaware that Petitioner was required to pay a deductible until she attempted to enroll him in services for the disabled. There was no evidence presented at the hearing that Petitioner or his AHR received notice of the deductible requirement.

Petitioner's AHR contended that Petitioner was eligible for full-MA coverage as a DAC (Disabled Adult Children). Under BEM 158 (October 1, 2010), pp 1-2, MA is available to a person receiving DAC (also called Childhood Disability Beneficiaries' or CDBs') RSDI benefits under section 202(d) of the Social Security Act **if** he or she meets **all** of the following conditions:

- is age 18 or older; and
- received SSI; and
- ceased to be eligible for SSI on or after July 1, 1987, because he became entitled to DAC RSDI benefits under section 202(d) of the Act or an increase in such RSDI benefits; and
- is currently receiving DAC RSDI benefits under section 202(d) of the Act; and
- would be eligible for SSI without such RSDI benefits.

In this case, Petitioner is 32 years of age. Petitioner's AHR testified that Petitioner received SSI until his father passed away in 2002. At that time, Petitioner began receiving RSDI. A review of the SOLQ Data from SSI under type of recipient, Petitioner is listed as DC which correlates to disabled child. Additionally, Petitioner's AHR further testified that had Petitioner's father not passed away, he would be eligible for SSI due to his current disability. As such, Petitioner meets each of the five prongs listed above.

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 policy when it approved Petitioner's MA subject to a deductible.

### **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. Redetermine Petitioner's eligibility for full MA benefits under the DAC program effective [REDACTED];
2. Issue supplements to Petitioner for any MA benefits he was eligible to receive but did not from [REDACTED], ongoing; and
3. Notify Petitioner of its decision.

JM/hw



---

**Jacquelyn A. McClinton**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

**NOTICE OF APPEAL:** A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

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

**DHHS**

[REDACTED]

**Authorized Hearing Rep.**

[REDACTED]

**Petitioner**

[REDACTED]