



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR



Date Mailed: June 9, 2016  
MAHS Docket No.: 16-003870  
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 May 23, 2016, from Detroit, Michigan. The Petitioner was present and represented by [REDACTED] Petitioner's Authorized Hearing Representative (AHR). The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist.

### **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. On [REDACTED], the Department issued a Health Care Coverage Determination Notice which indicated that Petitioner was eligible for MA benefits subject to a deductible.
3. At the time of the determination, Petitioner was not considered a Disabled Adult Child.

4. On [REDACTED], Petitioner's AHR 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.

At the hearing, Petitioner's AHR contended that Petitioner was eligible for full-MA coverage as a DAC. Under BEM 158 (October 1, 2014), 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:

- 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, the Department determined that Petitioner was eligible for MA subject to a deductible (also referred to as a spenddown). At the time Petitioner's eligibility was determined, he was not considered to be a DAC. Petitioner's AHR testified that she was not challenging the calculation of the deductible but challenged whether or not Petitioner should have been assessed a spenddown as a DAC.

In support of its position that Petitioner's MA benefits were properly calculated without the status of a DAC, the Department testified that Petitioner was receiving RSDI benefits under his own name and that he was not listed as a disabled child by the Social Security Administration. Petitioner's AHR disagreed and provided documentation from the Social Security Administration which stated that Petitioner was entitled to monthly benefits as a disabled dependent of the wage earner.

The Department provided an SOLQ (State On-Line Query System), which allows direct access between the Department and the Social Security Administration. A review of the SOLQ revealed that Petitioner is currently receiving benefits under his own name and not that of a parent. Additionally, the SOLQ indicated as Disabled Person (code DI) as the type of recipient. The Social Security Administration uses the code DC when the type of recipient is a Disable Child. As such, the SOLQ confirms the Department's position that Petitioner is not currently receiving DAC RSDI benefits which is a requirement to be classified as a disabled child with the Department.

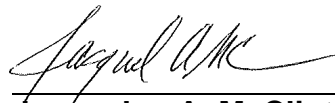
On [REDACTED] the Department issued notice to Petitioner that after a review, it was determined that he was not eligible for the classification of DAC. However, if Petitioner's AHR received additional information, she may Request a Hearing of this decision within 90 days of the date of issuance.

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 acted in accordance with Department policy when it determined that Petitioner was eligible for MA benefits subject to a deductible. .

#### **DECISION AND ORDER**

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

JM/hw



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**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]

[REDACTED]

**Authorized Hearing Rep.**

[REDACTED]

**Petitioner**

[REDACTED]