



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: March 13, 2017
MAHS Docket No.: 16-018834
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, telephone hearing was held on February 28, 2017, from Lansing, Michigan. The Petitioner was represented by her Authorized Hearing Representative (AHR) [REDACTED] and Petitioner testified on her own behalf. The Department was represented by [REDACTED] Family Independence Manager, and [REDACTED] Family Independence Specialist.

ISSUE

Did the Department of Health and Human Services (Department) properly deny Petitioner's Medical Assistance (MA) application?

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 February 23, 2016, Petitioner informed the Department that she did not want to apply for Supplemental Security Income (SSI) because it would reduce the benefits available to her from the Social Security Administration. Exhibit 2, p 1.
2. On May 18, 2016, the Department received Petitioner's application for Medical Assistance (MA).
3. On her May 18, 2016, application for assistance, Petitioner reported to the Department that she was not disabled.

4. The Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED] Exhibit 1, p 1.
5. On September 20, 2016, the Department notified Petitioner that it had denied her Medical Assistance (MA) application. Exhibit 3, p 1.
6. On December 19, 2016, the Department received Petitioner's request for a hearing.

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.

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. Department of Health and Human Services Bridges Eligibility Manual (BEM) 105 (October 1, 2014), p 2.

As a condition of eligibility individuals must apply for any state and/or federal benefits for which they may be eligible. This includes taking action to make the entire benefit amount available to the group. Any action by the individual or other group members to restrict the amount of the benefit made available to the group causes ineligibility. Department of Health and Human Services Bridges Eligibility Manual (BEM) 270 (April 1, 2016), p 1.

For Family Independence Program (FIP), State Disability Assistance (SDA), Refugee Cash Assistance (RCA), and Medicaid (MA) benefits, Retirement, Survivors, and Disability Insurance (RSDI) are potential benefits for all of the following persons:

- A person who is blind.
- A person who is retired and at least age 62.
- A person who claims illness or injury prevents him from working for at least 12 months.

- A person whose spouse is retired, disabled or dead.
- A child whose parent is retired, disabled or dead.

BEM 270, pp 2-3.

For Family Independence Program (FIP), State Disability Assistance (SDA), Refugee Cash Assistance (RCA) and Child Development and Care (CDC) benefits, Supplemental Security Income (SSI) benefits is a potential resource paid to persons who are aged, blind, or disabled. BEM 270, p 3.

On May 18, 2016, the Department received Petitioner's application for MA benefits. Petitioner's representative does not dispute the Department's determination that Petitioner is not eligible for MA as a caretaker relative based on her child's age, or under the Healthy Michigan Program based on her countable income. Petitioner receives RSDI benefits as a widow and has elected not apply for SSI benefits based on disability. Petitioner is not eligible for Early Widow Medicaid because she was not terminated from Supplemental Security Income (SSI) because of her eligibility for Retirement, Survivors, and Disability Insurance (RSDI) benefits. On September 20, 2016, the Department denied Petitioner's MA application.

As a condition of eligibility, Petitioner is required to apply for any state and/or federal benefits for which she may be eligible for. For MA benefits, RSDI is a potential resource for a person whose spouse is retired, disabled, or dead. In this case, Petitioner is an ongoing RSDI recipient and has met this requirement of BEM 270.

However, BEM 270 does not list MA as a program for which SSI benefits are a potential benefit that must be sought by the applicant and this requirement only applies to applications for FIP, SDA, RCA, and CDC.

The hearing record supports a finding that Petitioner had applied for MA benefits before May 18, 2016, and the Department's records indicate that on February 23, 2016, Petitioner reported that she had chosen not to apply for disability benefits from the Social Security Administration based on her belief that this would make her ineligible for her widows RSDI benefits.

Petitioner has the right to select the category of MA benefits most beneficial for her circumstances. The Department has a duty to inform applicants of the programs that are available and their right to apply for them. For MA benefits, the requirement to provide specific eligibility information is satisfied by the eligibility information on the application form. Department of Health and Human Services Bridges Administrative Manual (BAM) 105 (October 1, 2016), p 14.

On May 18, 2016, Petitioner applied for MA benefits but did not claim to be disabled. Petitioner had made it clear that the reason she did not claim to be disabled was her belief that applying for disability benefits would reduce her social security benefits. Whether Petitioner could have become eligible for MA benefits if she had claimed to be disabled on her application for benefits is not relevant because she asserted to the

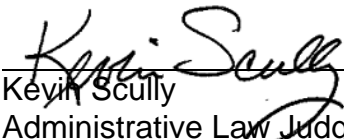
Department on May 18, 2016, that she was not disabled. The Department fulfilled its duty to Petitioner by informing her that she was eligible to apply for MA and provided her an application that put her on notice of the categories of benefits available to her as required by BAM 105. Petitioner chose to not pursue disability benefits and her eligibility for MA benefits is now limited by that choice.

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 denied Petitioner's application for Medical Assistance (MA) benefits because she does not meet the criteria for any category of benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr



Kevin Scully
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]

Counsel for Petitioner

[REDACTED]

Petitioner

[REDACTED]