



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: January 25, 2018
MAHS Docket No.: 17-009314
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Denise McNulty

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; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, an in-person hearing was held on September 28, 2017, from Southfield, Michigan. The Petitioner represented himself; accompanied by [REDACTED], wife/witness, and [REDACTED], father/witness. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly close Petitioner's Medicaid (MA) 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. Petitioner was an ongoing recipient of MA benefits.
2. Petitioner's initial application for MA benefits was submitted in January 2013. A medical review date was due in December 2014.
3. In March 2017, the Department noted Petitioner's case was overdue for medical review. [Exhibit A, p. 50.]
4. The Department learned that Petitioner was not receiving Supplemental Security Income (SSI) or SSI based on a disability. On March 8, 2017, the Department mailed Petitioner a Medical Determination Verification Checklist and included a Medical Social Questionnaire Update and an Authorization to Release Protected

Health Information. The completed forms were returned to the Department March or April 2017. [Exhibit A, pp. 15-21, 41.]

5. The Department received a completed Verification of Application or Appeal for SSI/Retirement, Survivors and Disability Insurance (RSDI) from the Social Security Administration (SSA) indicating Petitioner did not have any claims pending for SSI as of March 16, 2017. [Exhibit A, pp. 56-57.]
6. The Department received a completed Verification of Application or Appeal for SSI/RSDI from the SSA indicating Petitioner applied for SSI on April 6, 2017, and the application was denied on April 6, 2017. [Exhibit A, pp. 8-9, 41.]
7. On April 12, 2017, the caseworker submitted Petitioner's case to the Medical Review Team (MRT). On April 28, 2017, MRT issued a Deferral Monitor indicating Petitioner's MA case should be closed because he has failed to cooperate with the appeals process. [Exhibit A, p. 63.]
8. On June 6, 2017, the Department sent Petitioner a Verification of Application or Appeal for SSI/RSDI notifying him that his MA case has been deferred by the MRT and that he must appeal the April 6, 2017, SSA denial of his SSI application. [Exhibit A, pp. 67-68.]
9. On June 26, 2017, the Department mailed Petitioner a Health Care Coverage Determination Notice informing him that effective August 1, 2017, he would not be eligible for MA benefits due to the status of his SSI application with the SSA. [Exhibit A, pp. 72-75.]
10. On July 3, 2017, the Department received Petitioner's request for hearing disputing the Department's actions with respect to his MA benefits.

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.

In this case, Petitioner requested a hearing to dispute the closure of his MA benefits. Petitioner is an ongoing recipient of disability-MA benefits. He initially applied for benefits in 2013. A medical review was due in December 2014. In March 2017, the Department noted that Petitioner's case was overdue for a medical review. The Department learned Petitioner was no longer receiving SSI payments. On March 8, 2017, the Department sent Petitioner a Verification of Application or Appeal for SSI/RSDI advising him that he needed to submit an application with the SSA for SSI. On April 6, 2017, Petitioner received an informal decision from SSA regarding an application for SSI. Thereafter, Petitioner did not file an appeal of that decision nor a claim for SSI benefits in order to get an actual decision on his eligibility for SSI benefits.

Petitioner's caseworker submitted his case for medical review in April 2017. On April 28, 2017, Petitioner's case was deferred by the MRT. On June 6, 2017, the Department sent Petitioner a Verification Application or Appeal for SSI/RSDI advising him that he needed to appeal the denial of the SSI application with SSA. The Department received a Verification Application or Appeal for SSI/RSDI on June 15, 2017 from SSA, indicating the necessity for Petitioner to file a claim for SSI. [Exhibit A, p. 68.] On June 26, 2017, the Department mailed Petitioner a Health Care Coverage Determination Notice notifying him that his MA benefits would close effective August 1, 2017.

As a condition of eligibility for MA benefits, individuals must apply for any state and/or federal benefits for which they may be eligible. Refusal to pursue a potential benefit results in the individual's ineligibility. BEM 270 (April 2016), p. 1; See also 42 CFR 435.608. Supplemental Security Income (SSI) can be a potential benefit. BEM 270, p. 2. A person applying, receiving or eligible for disability-related MA must be referred to the SSA to apply for SSI. BEM 270, p.3. The Department referred Petitioner to SSA on several occasions in 2017.

For individuals applying for disability-related MA, verification must be obtained from SSA that an application or appeal is on file **before** the case is referred to the Disability Determination Service (DDS) (formerly Medical Review Team [MRT]). BEM 270, p. 7. In this case, Petitioner received an informal decision regarding his eligibility for SSI benefits from SSA and there was no further action taken to appeal the decision or to file a claim for SSI benefits. As of June 26, 2017, the Department had no information that Petitioner was still pursuing SSI benefits, per policy, the case could not be referred for a medical review and had to be closed. Petitioner argued that it was a futile endeavor to pursue SSI benefits with SSA when he has already received prior denials from SSA. The Department followed policy when it closed Petitioner's MA benefits.

DECISION AND ORDER

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 closed Petitioner's MA benefits.

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



DM/

Denise McNulty
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]

Petitioner

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

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