



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: January 31, 2018  
MAHS Docket No.: 17-011615  
Agency No.: ██████████  
Petitioner: ██████████

**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, a telephone hearing was held on November 27, 2017, from Detroit, Michigan. The Petitioner was represented by the Authorized Hearing Representative (AHR), ██████████. Petitioner's mother/guardian, ██████████, was present for the hearing and provided testimony. ██████████, ██████████ was present. The Department of Health and Human Services (Department) was represented by ██████████.

**ISSUE**

Did the Department properly close Petitioner's Medicaid-Disabled Adult Child program (MA-DAC) 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-DAC.
2. On August 18, 2017, the Department sent Petitioner a Health Care Coverage Determination Notice him that he was approved for MA with a monthly deductible with an effective date of September 1, 2017.
3. Petitioner receives Railroad Retirement Board (RRB) benefits as a disabled adult child under his deceased father's record. The benefits are paid on a monthly basis. [Exhibit A, pp. 4-6.] The date of entitlement was March 2010.

4. On August 28, 2017, the Department received Petitioner's 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.

In this case, the AHR on Petitioner's behalf requested a hearing disputing the Department's decision regarding Petitioner's eligibility for MA-DAC. The Department completed a review of Petitioner's eligibility for MA-DAC in May 2017. The Department determined Petitioner was not receiving Retirement, Survivors, Disability Insurance (RSDI) from Social Security Administration (SSA) and was, therefore, not eligible for MA-DAC. [Exhibit A, p. 13.] Petitioner receives Railroad Retirement Board (RRB) benefits as a disabled adult child under his deceased father's record. The benefits are paid on a monthly basis. [Exhibit A, pp. 4-6.] The date of entitlement was March 2010.

MA-DAC is a Supplemental Security Income (SSI)-related Group 1 MA category. MA is available to a person receiving disabled adult children's (DAC) (also called Childhood Disability Beneficiaries' or CDBs') RSDI benefits under section 202(d) of the Social Security Act if he/she: (1) is age 18 or older; and (2) received SSI; and (3) ceased to be eligible for SSI on or after July 1, 1987, because he/she became entitled to DAC RSDI benefits under Section 202(d) of the Act or an increase in such RSDI benefits; and (4) is currently receiving DAC RSDI benefits under section 202(d) of the Act; and (5) would be eligible for SSI without such RSDI benefits. BEM 158 (October 2014), p. 1.

An individual may be receiving DAC RSDI benefits if one of the following descriptions applies: He has been identified as a DAC by central office or an SSI letter and his Social Security claim number suffix contains the letter C. The C may be followed by another letter or number (CA, CB, C1, etc.). BEM 158, p. 3. The Department presented a letter from the SSA office, dated May 20, 2016, showing Petitioner has been identified by the SSA as receiving benefits as a DAC with a Social Security claim number suffix containing the letter C. [Exhibit A, p. 7.] DAC for SSA purposes means the individual receives DAC-RSDI. BEM 158, P. 2. Policy requires the Department to get a review from central office regarding DAC eligibility. BEM 158, p. 4. The Department presented

a memo which indicated such a review had been completed. [Exhibit A, p. 13.] However, at the hearing the hearing facilitator testified that the Department was continuing to review Petitioner's case because there was a question about whether his RRB benefits were properly being considered in the determination of his eligibility for MA-DAC.

As such, it is found that the Department has failed to show that it acted in accordance with Department policy when it closed Petitioner's MA-DAC 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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Petitioner's MA-DAC program benefits.

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. To complete a review of Petitioner's eligibility for continued MA-DAC program benefits, and
2. If Petitioner is found to be eligible for MA-DAC to reinstate benefits; and
3. To notify Petitioner and the AHR, in writing, in accordance with Department policy of the Department's decision.



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**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]  
[REDACTED]

**Counsel for Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Authorized Hearing Rep.**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Petitioner**

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