



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR



Date Mailed: June 22, 2018  
MAHS Docket No.: 18-005088  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Ellen McLemore**

**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 June 21, 2018, from Detroit, Michigan. Petitioner was present with his Authorized Hearing Representative (AHR), [REDACTED]. The Department of Health and Human Services (Department) was represented by Christine Brown, Eligibility Specialist.

**ISSUE**

Did the Department properly close Petitioner's Medical Assistance (MA) benefit case?

**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 MA Supplemental Security Income (SSI) recipient.
2. Petitioner's SSI was terminated, and he was transitioned to Retirement, Survivors, and Disability Insurance (RSDI) benefits as of March 1, 2018.
3. On March 1, 2018, Petitioner transitioned into SSI Termination (SSIT) MA assistance.
4. On April 19, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing him that his MA benefit case was closing effective May 1, 2018, ongoing (Exhibit A).

5. On May 8, 2018, Petitioner's AHR submitted a hearing request disputing the Department's actions.
6. On May 22, 2018, the Department sent Petitioner an MA application and Verification Checklist (VCL) (Exhibit B).

### **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 was an ongoing MA SSI recipient. Petitioner's SSI benefits were terminated effective March 1, 2018, ongoing. As a result, Petitioner was transitioned into SSIT MA assistance effective March 1, 2018. On April 19, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice closing his MA benefit case effective May 1, 2018, ongoing, for his failure to complete the redetermination form and submit required proofs.

The Department administers MA for SSI recipients, including a continued MA eligibility determination when SSI benefits end. BEM 150 (April 2017), p. 1. SSI recipients who are Michigan residents receive MA-SSI coverage for the duration of SSI eligibility. BEM 150, p. 6. When SSI benefits stop, the Department evaluates the reason based on the SSA's negative action code, then either closes the MA-SSI case if SSI stopped for a reason that prevents continued MA eligibility (such as death or lack of Michigan residency) or transfers the client's MA case to SSIT type of assistance until a redetermination is completed to allow for an ex parte review of the client's eligibility for other MA categories. BEM 150, p. 6.

During the ex parte review, the Department must consider the client's eligibility for coverage under all MA categories. BEM 150, p. 7. The Department must send the client and her authorized representative a redetermination packet that includes the DCH-1426, Application for Health Coverage & Help Paying Cost, and the word version of the DHS-3503 Verification Checklist, marked with all verifications required for MA. BEM 150, p. 7. A determination of eligibility for another MA program or total ineligibility for any program must be completed before SSIT can close. BEM 150, p. 7. When the ex

parte review shows that a recipient does have eligibility for MA under another category, the Department must change the coverage. BAM 220, p. 17. If MA eligibility does not exist, the Department will send a negative action notice. BEM 150, p. 7.

The Department testified that Petitioner was not sent an MA application and VCL until [REDACTED], 2018. The Department conceded the documents were not mailed to Petitioner timely.

The Department is to conduct the ex parte review while Petitioner is in SSIT MA to allow for the potential to have uninterrupted benefits. The Department failed to timely send the MA application and VCL during the transition period. The documents should have been mailed in March 2018 but were not sent until [REDACTED] 2018, after Petitioner's MA case closed. Therefore, the Department did not properly follow the ex parte review procedures as set forth by policy. Thus, the Department did not follow policy when it closed Petitioner's MA benefit case.

### **DECISION AND ORDER**

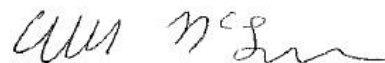
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it closed Petitioner's MA benefit case.

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 MA eligibility as of May 1, 2018, ongoing;
2. If Petitioner is eligible for MA benefits, provide Petitioner with MA benefits he is entitled to received as of May 1, 2018, ongoing; and
3. Notify Petitioner of its MA decision in writing.

EM/cg



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**Ellen McLemore**

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) 763-0155; 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

**Via Email:**

MDHHS-Washtenaw-20-Hearings  
D. Smith  
EQAD  
MAHS

**Petitioner –  
Via First-Class Mail:**

[REDACTED]

**Authorized Hearing Rep. –  
Via First-Class Mail:**

[REDACTED]