



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

ORLENE HAWKS  
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: March 12, 2019  
MAHS Docket No.: 18-013987  
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 14, 2019, from Lansing, Michigan. Petitioner was represented by her son, [REDACTED] [REDACTED] and she testified on her own behalf. The Department was represented by Rechela Hall.

**ISSUE**

Did the Department of Health and Human Services (Department) properly close Petitioner's Medical Assistance (MA) and State Supplemental Security Income (SSP) 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. On October 18, 2018, the Department notified Petitioner that she was not eligible for Medical Assistance (MA) effective November 1, 2018. Exhibit A, pp 6-8.
2. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$607. Exhibit A, p 10.
3. Petitioner receives monthly Supplemental Security Income (SSI) in the gross monthly amount of \$184. Exhibit A, p 11.
4. Petitioner did not receive a regular Supplemental Security Income (SSI) payment on November 1, 2018, but did receive a \$180 supplemental payment. Exhibit A, p 11.

5. On December 21, 2018, the Department received Petitioner's request for a hearing protesting the closure of her Medical Assistance (MA) and State Supplemental Security Income (SSP) benefits. Exhibit A, p 2.

### **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.

The State SSI Payments (SSP) program is established by 20 CFR 416.2001-.2099 and the Social Security Act, 42 USC 1382e. The Department administers the program pursuant to MCL 400.10.

Supplemental Security Income (SSI) is a cash benefit to needy persons who are aged (at least 65), blind or disabled. It is a federal program administered by the Social Security Administration (SSA). States are allowed the option to supplement the federal benefit with state funds. In Michigan SSI benefits include a basic federal benefit and an additional amount paid with state funds. Payments are made for only those months the recipient received a regular first of the month federal benefit. These are shown on SOLQ as a recurring payment dated the first of the month. SSPs are not issued for retroactive or supplemental federal benefits. Department of Health and Human Services Bridges Eligibility Manual (BEM) 660 (January 1, 2017), p 1.

Petitioner is an SSI recipient, a benefit funded and administered by the federal government, and an SSP recipient, a benefit funded by the state of Michigan and administered by the Social Security Administration. Eligibility for SSP requires that the recipient receive a regular SSI payment on the first of the month. When Petitioner did not receive a regular SSI payment on the first of November in 2018, there was no eligibility for the state funded SSP benefit. Therefore, the Department properly notified Petitioner that her SSP benefit had been closed.

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 (April 1, 2017), p 2.

Petitioner is also a Medicaid recipient based on the receipt of SSI benefits. When Petitioner did not receive a regular SSI payment on November 1, 2018, the Department notified Petitioner that her Medicaid benefits would close. The closure of MA-SSI benefits is a proper action when SSI benefits close.

However, the hearing record is not clear whether the October 18, 2018, Health Care Coverage Determination Notice (DHS-1606) meant that Petitioner was no longer eligible for benefits under the MA-SSI category but would continue to receive benefits under another category of Medicaid, or that Petitioner's medical benefits simply closed effective November 1, 2018. Therefore, this Administrative Law Judge finds that the Department has failed to establish that Petitioner's eligibility for Medical Assistance (MA) under the most beneficial category has been determined.

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 State Supplemental Security Income (SSP) benefits effective November 20, 2018. Further, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined Petitioner's eligibility for Medical Assistance (MA) under the most beneficial category available effective November 1, 2018.


### **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED with respect to Supplemental Security Income (SSI) benefits and REVERSED with respect to Medical Assistance (MA) benefits.

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:

Initiate a determination of the Petitioner's eligibility for Medical Assistance (MA) benefits under the most beneficial category she qualifies for as of November 1, 2018.

KS/dh

  
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**Kevin Scully**  
Administrative Law Judge  
for Robert Gordon, 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

**DHHS**

Linda Gooden  
25620 W. 8 Mile Rd  
Southfield, MI 48033

Oakland County (District 3), DHHS

BSC4 via electronic mail

EQAD via electronic mail

D. Smith via electronic mail

**Petitioner**

[REDACTED], MI [REDACTED]