

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES**

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-000842
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: May 22, 2014
County: Wayne (17)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

HEARING DECISION

Following Claimant'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, a three-way telephone hearing was held on May 22, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's Authorized Hearing Representative (AHR), [REDACTED] from L & S Associates, Inc. Participants on behalf of the Department of Human Services (Department or DHS) included Zaineb Hussein, Medical Contact Worker.

ISSUES

Did the Department properly activate Claimant's Supplemental Security Income (SSI) - Medical Assistance (MA) coverage from [REDACTED] 2011 to [REDACTED] 2012?

Did the Department properly determine Claimant's MA eligibility effective [REDACTED], 2012, ongoing?

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 [REDACTED], 2013, Claimant received a Retirement, Survivors, and Disability Insurance (RSDI) Notice of Award letter from the Social Security Administration (SSA), which found Claimant to be disabled on [REDACTED], 2011. See Exhibit 1, pgs. 23-29.
2. The award letter also indicated that RSDI payments began in [REDACTED] 2012. See Exhibit 1, pgs. 23-29.

3. On [REDACTED], 2013, Claimant received an SSI Notice of Award letter from the SSA, which found Claimant eligible for SSI as of [REDACTED] 2011 based on being disabled. See Exhibit 1, pgs. 12-22.
4. The Notice of Award indicated Claimant was found disabled on [REDACTED], 2011 and indicated SSI payments began from [REDACTED] 2012. See Exhibit 1, pgs. 12-22.
5. On [REDACTED], 2013, Claimant's authorized representative (AR) (who is also the AHR) sent the Department a letter requesting that MA coverage be authorized for the Claimant based on the SSI award letter effective [REDACTED] 2011. See Exhibit 1, pgs. 8-9.
6. The Department failed to respond to the AHR's request and did not properly activate SSI – MA coverage from [REDACTED] 2011 to [REDACTED] 2012 and failed to determine Claimant's MA eligibility effective [REDACTED], 2012, ongoing, in light of the change in circumstances (RSDI recipient).
7. On [REDACTED], 2014, Claimant's AHR filed a hearing request, protesting the Department's action for failing to process Claimant's MA eligibility effective [REDACTED], 2011, ongoing. See Exhibit 1, pg. 2.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of 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 Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, on [REDACTED], 2013, Claimant received an RSDI Notice of Award letter from the SSA, which found Claimant to be disabled on [REDACTED], 2011. See Exhibit 1, pgs. 23-29. The award letter also indicated that RSDI payments began in June 2012. See Exhibit 1, pgs. 23-29. On [REDACTED], 2013, Claimant received an SSI Notice of Award letter from the SSA, which found Claimant eligible for SSI coverage as of [REDACTED] 2011 based on being disabled. See Exhibit 1, pgs. 12-22. The Notice of Award indicated Claimant was found disabled on [REDACTED], 2011 and indicated SSI payments began in January 2012. See Exhibit 1, pgs. 12-22. Based on this information, it appears that Claimant is SSI - MA eligible from [REDACTED] 2011 to [REDACTED] 2012 and RSDI eligible from [REDACTED] 2012, ongoing. At the hearing, though, the

Department testified that Claimant appeared to receive both RSDI and SSI effective January 2014, ongoing. See SOLQ, Exhibit 1, pgs. 2-4.

Additionally, on [REDACTED], 2013, Claimant's AR (who is also the AHR) sent the Department a letter requesting that MA coverage be authorized for the Claimant based on the SSI award letter effective [REDACTED] 2011. See Exhibit 1, pgs. 8-9. The evidence presented that the Department did not respond to the AHR's letter. See Exhibit 1, pg. 2. Thus, on [REDACTED], 2014, Claimant's AHR filed a hearing request, protesting the Department's action for failing to process Claimant's MA eligibility effective [REDACTED], 2011, ongoing. See Exhibit 1, pg. 2. Ultimately, the AHR sought coverage for [REDACTED], [REDACTED], and [REDACTED] of 2012 due to Claimant incurring medical expenses in those months. See Exhibit 1, pg. 2. The Department acknowledged that Claimant was SSI eligible as of [REDACTED], 2011 and that it will reprocess Claimant's MA disability case in light of the new information. See Hearing Summary, Exhibit 1, pg. 1. It should be noted that the AHR provided a retroactive MA application for [REDACTED] 2012. See Exhibit 1. The Department testified that Claimant only had MA coverage as of January 1, 2014.

First, it is determined that the Department failed to properly activate Claimant's SSI – MA coverage from [REDACTED] 2011 to [REDACTED] 2012.

To be automatically eligible for Medicaid (MA) an SSI recipient must both: be a Michigan resident and cooperate with third-party resource liability requirements. BEM 150 (July 2013), p. 1. Ongoing MA eligibility begins the first day of the month of SSI entitlement. BEM 150, p. 1. Verification sources includes a copy of a current SSI award letter from SSA, SOLQ, etc...BEM 150, p. 9.

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (October 2013), p. 14. However, SSI recipients are automatically eligible for current MA. BAM 105, p. 14. A DHS-1171, Assistance Application, is not needed for SSI recipients. BAM 115 (July 2013), p. 10.

The AHR properly notified the Department on [REDACTED], 2013, that Claimant became entitled to SSI effective [REDACTED] 2011 and to determine MA eligibility from this date. See Exhibit 1, pgs. 8-9. Moreover, the evidence presented that Claimant became an RSDI recipient as of [REDACTED] 2012, ongoing. See Exhibit 1, pgs. 23-29. Therefore, the evidence presented that Claimant should have been activated for SSI – MA coverage from [REDACTED] 2011 to [REDACTED] 2012. Because the AHR properly notified the Department that Claimant is an SSI recipient and the Department failed to process the MA coverage, it will therefore activate Claimant's SSI – MA coverage from [REDACTED] 2011 to [REDACTED] 2012 in accordance with Department policy. See BAM 105, p. 14; BAM 115, p. 10; and BEM 150, pp. 1 and 9.

Second, the Department failed to determine Claimant's MA eligibility effective [REDACTED], 2012, ongoing, due to Claimant's MA change in circumstances.

A person eligible for RSDI benefits based on his disability or blindness meets the disability or blindness criteria. BEM 260 (July 2013), p. 1. Disability or blindness starts from the RSDI disability onset date established by the SSA. BEM 260, pp. 1-2. Sources of Verification for Receipt of RSDI based on disability includes the SOLQ. See BEM 260, p. 8.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount. BAM 105 (October 2013), p. 9. Changes must be reported within 10 days of receiving the first payment reflecting the change (e.g., income reporting requirements). BAM 105, p. 9. Other changes must be reported within 10 days after the client is aware of them. BAM 105, pp. 9-10.

In this case, the change in circumstances was Claimant becoming an RSDI recipient effective [REDACTED], 2012, ongoing. As stated previously, Claimant was an SSI recipient from [REDACTED] 2011 to [REDACTED] 2012, however, his coverage changed to RSDI effective [REDACTED] 2012. It should be noted that the Department's SOLQ confirms that Claimant began receiving RSDI benefits effective [REDACTED] 2012. See SOLQ, Exhibit 1, pg. 1 and BEM 260, pp. 1-2 and 8. As such, Claimant had a change in circumstances that potentially affected his MA coverage when he converted to RSDI income effective [REDACTED] 2012. Because Claimant had a change in circumstances affecting his MA coverage effective [REDACTED], 2012 (RSDI recipient), it will determine Claimant's MA eligibility effective [REDACTED], 2012, ongoing, in accordance with Department policy. See BAM 105, pp. 9-10 and BEM 260, pp. 1-2 and 8.

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 (i) failed to properly activate Claimant's SSI – MA coverage from [REDACTED] 2011 to [REDACTED] 2012; and (ii) failed to determine Claimant's MA eligibility effective [REDACTED], 2012, ongoing, due to a change in circumstances effecting his MA coverage (SSI to RSDI recipient).

Accordingly, the Department's MA 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: Other changes must be reported within 10 days after the client is aware of them.

1. The Department shall activate coverage for Claimant's SSI – MA benefits from [REDACTED] 2011 to [REDACTED] 2012, in accordance with Department policy;
2. Determine Claimant's MA eligibility effective [REDACTED], 2012, ongoing, in accordance with Department policy; and

3. Notify Claimant and/or Claimant's AHR in writing of its MA decision in accordance with Department policy.


Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **5/28/2014**

Date Mailed: **5/28/2014**

____ / ____

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

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 48909-07322

cc:

[REDACTED]
L & S Associates
DHS SSPC-East
AH
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