GRETCHEN WHITMER
GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

MARLON BROWN DIRECTOR



Date Mailed: August 5, 2024 MOAHR Docket No.: 24-006654

Agency No.: Petitioner:

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 July 31, 2024, via teleconference. Petitioner was represented by his brother/Authorized Hearing Representative (AHR), The Department of Health and Human Services (Department) was represented by Megan Iatonna, Hearing Facilitator.

# **ISSUE**

Did the Department properly process Petitioner's Medical Assistance (MA) redetermination?

#### 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 recipient under the MA for Supplemental Security Income (SSI) Recipients (MA SSI) category.
- 2. On March 2024, a redetermination was completed related to Petitioner's MA case (Exhibit A, pp. 9-15).
- 3. On April 2024, the Department sent Petitioner a Health Care Coverage Determination Notice informing him that he was eligible for MA benefits subject to a monthly deductible (Exhibit A, pp. 23-26).
- 4. On June 5, 2024, Petitioner's AHR submitted a 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, Petitioner was an ongoing MA SSI recipient. On March 2024, a redetermination was completed related to Petitioner's MA benefit case. The Department testified that Petitioner was no longer receiving SSI benefits and was receiving Disabled Adult Child (DAC) Retirement, Survivors and Disability Insurance (RSDI) benefits. Therefore, Petitioner was no longer eligible for MA SSI. The Department determined that Petitioner was not eligible for MA under the full coverage Ad-Care program and approved him for MA with a monthly deductible. Petitioner's AHR submitted a hearing request arguing that the Department failed to properly consider Petitioner's eligibility under the DAC MA program.

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. When an individual is identified as a possible DAC MA recipient, the Department worker at the local office is to request a DAC MA determination from the central office. BEM 158, pp. 3-4. When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. BEM 158, p. 4. Additionally, redeterminations are to be processed before the end of the redetermination month. BAM 210 (January 2024), p. 21.

At the hearing, the Department conceded that a DAC MA determination had not been made as of the date of the hearing. The individual at the local office testified that the central office had not yet responded to their inquiry for additional information as to Petitioner's eligibility for DAC MA (Exhibit A, pp. 30-32).

Both the ex parte and redetermination processes should be completed prior to the expiration of the individual's current eligibility. Although the central office is responsible for the DAC MA determination, the central office is still within the Michigan Department of

Health and Human services, and is therefore subject to the requirements of Department policy. The Department failed to timely consider Petitioner's eligibility under the DAC MA program prior to the closure of his SSIT MA benefits, resulting in Petitioner's approval for MA benefits subject to a deductible. Therefore, the Department failed to establish that it acted in accordance when it processed Petitioner's MA redetermination.

## **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 processed Petitioner's redetermination.

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. Determine Petitioner's eligibility under the DAC MA program;
- 2. Provide Petitioner with MA benefits he is entitled to receive as of May 1, 2024, ongoing; and
- 3. Notify Petitioner and Petitioner's AHR in writing.

EM/dm Ellen McLemor

Administrative Law Judge

**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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139

<u>Via-Electronic Mail :</u>	DHHS Dawn Tromontine Macomb County DHHS Sterling Heights Dist. MDHHS-Macomb-36- Hearings@michigan.gov
	SchaeferM
	<b>EQADHearings</b>
	BSC4HearingDecisions
Via-First Class Mail :	MOAHR Petitioner