



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: October 15, 2024
MOAHR Docket No.: 24-007415
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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, an in-person hearing was held at the Michigan Department of Health and Human Services (Department) local office on September 18, 2024. Petitioner was present and represented herself. Petitioner's sister, [REDACTED] [REDACTED] was also present but did not participate in the hearing. The Department was represented by Rosemary Molsbee-Smith, Eligibility Specialist.

ISSUE

Did the Department properly determine Petitioner's eligibility for Medicaid (MA)?

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 is [REDACTED] years old, has been disabled pursuant to the Social Security Administration (SSA) since at least October 1, 1978 and remains disabled, and is an ongoing recipient of Retirement, Survivors, and Disability Insurance (RSDI) due to disability.
2. A portion of Petitioner's RSDI benefits are payable to her as a disabled dependent of a wage earner. Prior to receiving RSDI, Petitioner received Supplemental Security Income (SSI). (Exhibit A, pp. 4 – 6).
3. Petitioner is a Medicare recipient. (Exhibit A, p. 20).

4. On [REDACTED] [REDACTED] 2024, the Department received a completed MA application from Petitioner that requested MA and MSP. Petitioner was an ongoing recipient of MA as the recipient of SSI benefits at the time of her application. (Exhibit A, pp. 4, 13 – 22).
5. On April 5, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN), stating that effective May 1, 2024 Petitioner was approved for Plan First Family Planning (PFFP), MA coverage with a deductible of \$886, and MSP – Specified Low-Income Medicare Beneficiaries (SLMB). (Exhibit A, pp. 37 – 41).
6. On June 21, 2024, the Department received a request for hearing from Petitioner disputing the Department’s determination of her MA eligibility. (Exhibit A, p. 4).
7. On July 2, 2024, the Department referred Petitioner for a DAC screening to the DAC Determination Unit. (Exhibit A, pp. 1, 36).

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.

Petitioner requested a hearing dispute a change her MA coverage. Petitioner was approved for PFFP, MA coverage with a deductible of \$886, and MSP – SLMB effective May 1, 2024 ongoing. The parties agreed that Petitioner had SSI-MA prior to May 1, 2024.

Under federal law, an individual is entitled to the most beneficial category, which is the one that results in a) eligibility, b) the least amount of excess income, or c) the lowest cost share. BEM 105 (January 2024), p. 2. All MA category options must be considered in order for the Petitioner’s right of choice to be meaningful. BEM 105, p. 2. MA is available (i) under SSI-related categories to individuals who are aged (65 or older), blind or disabled, (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women, and (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage. 42 CFR 435.911; 42

CFR 435.100 to 435.172; BEM 105, p. 1; BEM 137 (January 2024), p. 1; BEM 124 (July 2023), p. 1.

In this case, Petitioner is ■ years old, disabled, a Medicare recipient, and not the caretaker of any minor children or pregnant. (Exhibit A, pp. 13 – 20, 31). The Department testified that pursuant to the State Online Query (SOLQ) that she has been disabled since at least October 1, 1978, while Petitioner testified that she began receiving SSI due to disability beginning in approximately 1976, until her benefits were switched to RSDI under her father's benefits approximately 20 years ago. (Exhibit A, pp. 4 – 5). Therefore, Petitioner is potentially eligible for MA under SSI-related MA categories only, which include Disabled Adult Children (DAC), AD-Care, and Group 2 Aged, Blind and Disabled (G2S), as well as PFFP. PFFP is a limited coverage Modified Adjusted Gross Income (MAGI)-related MA category (BEM 124, p. 1), while DAC MA provides broader coverage than PFFP or G2S and is, therefore, a more beneficial coverage for individuals.

DAC MA is a Group 1 SSI-related MA category and is available to a person receiving disabled adult children's (also called Childhood Disability Beneficiaries' or CDBs') RSDI (DAC RSDI) benefits under section 202(d) of the Social Security Act if he or 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 or 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

Note: To receive DAC RSDI a person must have a disability or blindness that began before age 22.

5. Would be eligible for SSI without such RSDI benefits and meet all other eligibility factors. BEM 158 (October 2014), pp. 1 – 3.

To determine if an individual is receiving DAC RSDI, the Department must ascertain if the individual:

1. Has been identified as a DAC RSDI by the Department's central office or an SSI letter and the Social Security claim number suffix contains the letter C, or
2. Is more than 19 years 2 months old and the Social Security claim number suffix contains the letter C, or
3. Is age 18 or older, not a full-time student in elementary or secondary school, and the Social Security claim number contains the letter C.

In each of these scenarios, the C may be followed by another letter or number (CA, CB, C1, etc.). BEM 158, p. 3. If any of the foregoing are true, the individual may be receiving DAC RSDI and the Department must request a screening for DAC MA eligibility from the Department's central office, unless a determination has already been completed. BEM 158, p. 3. If the individual is verified to be receiving DAC RSDI, the Department must then determine if all other financial and non-financial eligibility factors are met for DAC MA. BEM 158, p. 3. Additionally, DAC MA recipients eligible for MA are also covered by a buy-in program administered by the Department and are considered eligible for QMB MSP. BEM 158, p. 1; BAM 810, pp. 7 – 8; BEM 165 (October 2022), p. 3.

Although the Department testified that there was no evidence in Petitioner's file that it had referred her for DAC screening prior to issuing the HCCDN on April 5, 2024, it did refer Petitioner for a DAC screening to the DAC Determination Unit on July 2, 2024 and provided the unit with two Social Security claim numbers for Petitioner, one ending in 'A' and the other ending in 'C1'. (Exhibit A, p. 36; Exhibit B, p. 2, Entry 72). During the hearing, the Department explained that Petitioner's SOLQ included both claim numbers and Petitioner testified that the claim number ending in 'A' is her own Social Security number and the claim number ending in 'C1' is Petitioner's late father's Social Security number. Recipients of Social Security benefits may have dual entitlement, which is when the individual is entitled to more than one benefit at the same time¹. Because Petitioner's RSDI benefits included the 'C1' code, Petitioner should have been evaluated for DAC MA eligibility. During the hearing, the Department acknowledged that Petitioner was informed by a case worker on July 10, 2024 that she was not eligible for DAC, but testified there was no evidence that the Department had received a determination from the DAC Determination Unit in Petitioner's case. (Exhibit B, p. 2, Entry 74); see also BEM 158, p. 6.

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 failed to evaluate Petitioner's eligibility for DAC MA when determining her MA eligibility in April 2024.

¹ Social Security Administration, Program Operations Manual System (POMS), RS 00615.020, effective December 5, 2023 to present. <http://policy.ssa.gov/poms.nsf/lnx/0300615020>. Last accessed October 11, 2024.

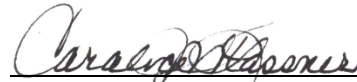
DECISION AND ORDER

Accordingly, the Department's decision is **REVERSED**.

TO THE EXTENT IT HAS NOT ALREADY DONE SO, 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 eligibility for DAC MA from May 1, 2024 ongoing;
2. Provide Petitioner with the most beneficial MA coverage she is eligible to receive from May 1, 2024 ongoing; and
3. Notify Petitioner in writing of its decision.

CML/nr



Caralyce M. Lassner
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

Via-Electronic Mail :

DHHS

Yvonne Hill

Oakland County DHHS Madison Heights Dist.

30755 Montpelier Drive

Madison Heights, MI 48071

MDHHS-Oakland-DistrictII-Hearings@michigan.gov

Interested Parties

BSC4

M. Schaefer

EQAD

MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]