



## For Immediate Release

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## GROUPS SUE TO STOP MEDICAID “HAMSTER WHEEL”

### *Suit Alleges Systematic Due Process Violations in Michigan Medicaid Program*

**Lansing, MI** – Medicaid recipients have long had rights to “fair hearings” to challenge actions affecting their benefits. According to a new lawsuit, however, recipients in Michigan cannot get relief from those hearings, even when they win.

The suit, filed by attorneys for Michigan Protection & Advocacy Services, Inc. (MPAS), the National Center for Law and Economic Justice (NCLEJ) and Legal Services of South Central Michigan (LSSCM), says that the administrative law judges (ALJs) presiding over fair hearings lack the power to order the agency to grant the benefits it had wrongfully denied. All they can do is send the case back to the agency to “reassess” the recipient. And when the agency comes back with the same decision on reassessment—as it often does—all the recipient can do is ask for another fair hearing, where the same thing will happen again. This is the Michigan Medicaid “Hamster Wheel”: recipients run and they run and they run, but they never get anywhere.

Named Plaintiff Kevin Wiesner lives with various disabilities, and he relies on Medicaid-funded community living supports (CLS) to stay in the community. In 2019, he challenged the CLS budget provided by Washtenaw County Community Mental Health (WCCMH), and the ALJ held in his favor in every respect: The budget was insufficient to meet Kevin’s medical needs, it had been insufficient since at least 2015, and at least a certain, specific amount was required to make it sufficient. But the ALJ did not—because he said he could not—order a budget of that amount. Instead, he told WCCMH to “reassess” Mr. Wiesner’s needs. To no one’s surprise, WCCMH’s “reassessment” ignored the ALJ’s determination and denied Mr. Wiesner any increase at all.

“For more than 50 years, the Constitution and federal statutes have guaranteed public benefit recipients the right to an impartial determination of their benefits,” said Ed Krugman, a senior attorney at NCLEJ, “The Michigan Hamster Wheel makes a mockery of that right. Kevin Wiesner fought for the services he needs, and he won, but he got precisely nothing. That is a travesty.”

“The Medicaid Fair Hearing System is supposed to give recipients the right to challenge actions that negatively affect their benefits,” said Kyle Williams, legal director for MPAS. “If administrative law judges are only allowed to order reassessments, they can never win those challenges, because the reassessment decision is ultimately in the hands of the agency that took the negative action in the first place.”

Nick Gable, attorney for LSSCM, offered a similar thought. “The Medicaid fair hearing “Hamster Wheel” has been a problem for years, to the point that appeals challenging personal care or home and community-based support services denials are rendered futile. A legal challenge to the Hamster Wheel is overdue.”

The suit names WCCMH, Community Mental Health Partnership of Southeast Michigan, their directors, and Michigan Department of Health and Human Services Director Robert Gordon as defendants. The requested relief seeks to end the practice of ALJs remanding cases without ordering specific relief for Medicaid recipients.

*Michigan Protection & Advocacy Service, Inc. (MPAS) is the independent, private, nonprofit organization designated by the governor of the State of Michigan to advocate and protect the legal rights of people with disabilities in Michigan.*

[www.mpas.org](http://www.mpas.org).

*Since 1965, the National Center for Law and Economic Justice (NCLEJ) has worked with low-income families, individuals, communities, and a wide range of organizations to advance the cause of economic justice through litigation, policy work, and support of grassroots organizing around the country.*

[www.nclej.org](http://www.nclej.org)

*Legal Services of South Central Michigan provides free legal advice and representation to low-income individuals, families, and older adults.*

[www.lsscm.org](http://www.lsscm.org)

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