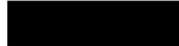


STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Claimant

Reg. No.: 2008-15881

Issue No.: 2019

Case No.:

Load No.:

Hearing Date:

February 11, 2009

Oakland County DHS (3)

ADMINISTRATIVE LAW JUDGE: Michael J. Bennane

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; MSA 16.409 and MCL 400.37; MSA 16.437 upon the Claimant's request for a hearing. After due notice a telephone hearing was held on February 11, 2009. The Claimant personally appeared and testified.

ISSUE

Did the Department properly figure the Claimant's Medical Assistance (MA), deductible?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material and substantial evidence on the whole record, finds as material fact:

1. Claimant is a MA recipient.
2. On January 22, 2008, and on January 31, 2008, the Claimant submitted healthcare expenses as part of her meeting her MA deductible amount.

3. The Department stated that the Claimant had not met spend down eligibility but approved coverage for January 30, 2008, and January 31, 2008, on a “one time” basis.
4. On February 4, 2008, the Claimant filed a request for a hearing.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Here, the Department determined the Claimant’s MA eligibility based on the bills submitted.

MA Only

This item completes the Group 2 MA income eligibility process.

Income eligibility exists for the calendar month tested when:

There is no excess income, **or**
Allowable medical expenses (defined in “EXHIBIT I”) equal or exceed the excess income.

When **one** of the following equals or exceeds the group's excess income for the month tested, income eligibility exists **for the entire month**:

Old bills (defined in “[EXHIBIT IB](#)”).

Personal care services in clients home, (defined in [EXHIBIT II](#)), or Adult Foster Care (AFC), or Home for the Aged (HA) (defined in [EXHIBIT ID](#)).

Hospitalization (defined in “[EXHIBIT IC](#)”).

Long-term care (defined in “[EXHIBIT IC](#)”).

When **one** of the above does **not** equal or exceed the group's excess income for the month tested, income eligibility begins either:

The exact day of the month the allowable expenses **exceed** the excess income,
or

The day after the day of the month the allowable expenses **equal** the excess income.

In addition to income eligibility, the fiscal group must meet all other financial eligibility factors for the category processed. However, eligibility for MA coverage exists only for qualified fiscal group members. A qualified fiscal group member is an individual who meets all the non-financial eligibility factors for the category processed. (PEM 545, p. 1)

The Claimant testified that some expenses had not been properly credited. The Department presented, on its Hearing Summary a listing of the expenses incurred in January 2008. The Claimant agrees with the expenses listed.

The Department erred when it decided that expenses would only be allowed after the date they were met with no regard for whether the deductible was met and/or exceeded on that date. Under the aforementioned manual item the Department should have started MA eligibility as soon as the Claimant met the spend down amount and covered all expenses during that month above the spend down amount.

I find the Department erred in calculating the Claimant's expenses by imposing a date after which it would accept expenses. The only dates that matter are the beginning and end of a month. Once the deductible is met within a month, MA covers the amount over the deductible expended for that month.

DECISION AND ORDER

The Administrative Law Judge based on the above findings of fact and conclusions of law, REVERSES AND ORDERS the Department to recalculate the Claimant's MA deductible for January 2008, and any other months in which the Claimant met her deductible amount.

/s/

Michael J. Bennane
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 03/26/09

Date Mailed: 03/26/09

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

MJB/jlg

cc:

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