

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED]

Claimant

Reg. No.: 2008-20520

Issue No.: 2019

Case No.: [REDACTED]

Load No.: [REDACTED]

Hearing Date:

April 13, 2009

Oakland County DHS (2)

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 April 13, 2009. The Claimant personally appeared and testified.

ISSUE

Did the Department properly compute the amount of the Claimant's, Medical Assistance (MA) co-payment?

FINDINGS OF FACT

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

1. The claimant has an active MA deductible case.
2. The claimant receives \$945.00 in unearned income per month. (Department exhibit 5, pp. 1-4).

3. As a result, the department found the claimant ineligible for ongoing medical assistance due to excess income.
4. The department determined that the claimant had a deductible of \$518.00 per month.
5. On March 14, 2008, the department sent the claimant notice that her deductible amount was raised to \$518.00 per month.
6. On April 18, 2008, the Claimant filed a request for a hearing.

#### CONCLUSIONS OF LAW

The Medical Assistance (MA) program was designed to assist needy persons with medical expenses. The State of Michigan has set guidelines for income, which determines if a MA group falls within the needy classification. Under PEM 544 and 545 an eligible MA has income the same as or less than the "protected income level" plus medical insurance premiums as set forth in the policy contained in the program reference table. An individual or MA group whose income is in excess of the monthly protected income level is ineligible to receive MA. However, a MA group may become eligible for assistance under the deductible program. A deductible is a process which allows a client with excess income to become eligible for MA, if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month. The MA group must report expenses by the last day of the third month following the month for which it wants medical coverage. PEM 545; CFR 435.831

In the instant case, the monthly protected income for a MA group of one living in Oakland County is \$408.00 per month. RFT 240. In determining net income a standard

deduction of \$20.00 is deducted for SSI-related MA recipient's (disabled). In determining net income \$65.00 plus half the remaining amount is deducted from gross earned income. PEM 541, (Earned PEM 536). 42 CFR 435.811.

Here the claimant's net income \$936.00 exceeds the monthly protected income level \$408.00 by \$518.00 per month. Claimant is consequently ineligible to receive MA. However, under the deductible program, if the claimant incurs medical expenses in excess of \$518.00 during a month then she may be eligible for MA.

Claimant argues that she is unable to pay the deductible per month because of limited means. This ALJ sympathizes with the claimant but does not have the requisite jurisdiction to change or alter department policy or state law. This ALJ finds that the department has acted in accordance with department policy and law in computing the proper deductible amount.

The department uses current and old medical obligations (old bills) as well as expenses for personal care services in the home to determine if a deductible was met.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, AFFIRMS the Department's action in the instant case.

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

Date Signed: 05/12/09

Date Mailed: 05/12/09

**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

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