

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No: 200910281  
Issue No: 2001  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
September 21, 2010  
Macomb County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on November 21, 2008. After due notice, a telephone hearing was held on Tuesday, September 21, 2010.

**ISSUE**

Whether the Department of Human Services (Department) properly determined the Claimant's Medical Assistance (MA) eligibility?

**FINDINGS OF FACT**

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

1. The Claimant was an ongoing MA recipient under the Adult Medical Program (AMP).
2. The Claimant receives monthly earned income in the gross monthly amount of \$ [REDACTED]
3. The Claimant reported to the Department that his mother had paid \$ [REDACTED] towards his rent.
4. The Department completed an AMP budget on November 1, 2008, and determined that the Claimant was not eligible due to excess income.

5. The Department received the Claimant's request for a hearing on November 21, 2008, protesting the termination of his AMP benefits.

### **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 (DHS or Department) administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, et seq. Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

A donation to an individual by family or friends is the individual's unearned income. BEM 503.

Bridges excludes funds an individual has borrowed provided it is a bona fide loan. This includes a loan by oral agreement if it is made a bona fide loan. Bona fide loan means all the following are present:

- A loan contract or the lender's written statement clearly indicating the borrower's indebtedness.
- An acknowledgment from the borrower of the loan obligation.
- The borrower's expressed intent to repay the loan by pledging real or personal property or anticipated income. BEM 500.

The Claimant was receiving MA benefits under the AMP category when the Department conducted a routine review of his eligibility to receive benefits. The Claimant reported

that he received monthly earned income in the gross monthly amount of \$ [REDACTED]. The Claimant reported to the Department that his mother had paid \$ [REDACTED] towards his rent. No evidence was presented during the hearing that the money the Claimant received from his mother was intended to be a loan.

The Department completed an AMP budget on November 1, 2008. The Claimant receives a net earned income of \$ [REDACTED] which was determined by subtracting \$ [REDACTED] and then an additional 20% from his gross earned income. The \$ [REDACTED] received from his mother was entered into the AMP budget as unearned income. The sum of the Claimant's earned and unearned income gives him a total net income of \$ [REDACTED]. The income limit to receive AMP benefits is \$ [REDACTED] RFT 236.

Based on the evidence and testimony available during the hearing, the Department established that it properly terminated the Claimant's AMP benefits due to excess income.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's MA eligibility.

The Department's MA eligibility determination is AFFIRMED. It is SO ORDERED.

\_\_\_\_\_/s/

Kevin

\_\_\_\_\_ Scully

Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: October 6, 2010

Date Mailed: October 7, 2010

**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 60 days of the filing of the original request.

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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.

KS/alc

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