

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: 2009-33186
Issue No: 2001
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
September 22, 2009
Ingham County DHS

ADMINISTRATIVE LAW JUDGE: Suzanne L. Keegstra

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on September 22, 2009. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly deny the claimant's application for the Adult Medical Program (AMP) due to excess income in July, 2009?

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 applied for multiple programs, including Medical Assistance (MA) on March 17, 2009. (Department Exhibit 10 – 27).
2. The claimant provided the department with an Income Withholding for Support, showing he pays child support in the amount of \$1203.50 per month. (Department Exhibit 9).

3. The claimant also provided the department with a statement of income and copies of some invoices. (Department Exhibit 5 – 6, 8).

4. The claimant was denied MA coverage on July 21, 2009, due to excess income. The claimant is over 21 and under 65 and not the primary care-giver for a child. He is also not disabled.

5. The claimant turned in a hearing request on August 10, 2009 disputing his denial for the AMP program.

CONCLUSIONS OF LAW

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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

FINANCIAL ELIGIBILITY FACTORS

AMP-H

Group

Use AMP policy in PEM 214.

Assets

Determine countable assets based on AMP policy in PEM 400.

The program group's countable assets cannot exceed the AMP asset limit in PEM 400.

Income Eligibility

Application

Income eligibility exists when the program group's **net** income does not exceed the program group's AMP income limit.

Income Limit. The AMP income limits are in PRT 236. When the client's living arrangement changes during a month, use the living arrangement with the higher income limit.

COUNTABLE INCOME

AMP-H

Use only countable income. Countable income is income remaining after applying AMP policy in PEM 500. PEM 640.

AVAILABLE INCOME

AMP-H

Use only available income. Available means income which is received or can reasonably be anticipated. Available income includes amounts garnisheed from income, joint income, and income received on behalf of a person by his representative. See PEM 500 for details.

INCOME

DEPARTMENT POLICY

All Programs

The group composition and program budgeting items specify whose income to count. The program budgeting items might also contain program-specific income deductions or disregards.

Income means benefits or payments measured in money. It includes money a person owns even if NOT paid directly such as stock dividends automatically reinvested and income paid to a representative.

Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. Unearned income means all income that is NOT earned income. The item specifies whether the income is earned or unearned.

The amount of income counted may be more than the amount a person actually receives, because it is the amount before any deductions including deductions for taxes and garnishments. The amount before any deductions is called the **gross** amount. PEM, Item 500, p. 1.

Exception: The amount of self-employment income before any deductions is called **total proceeds**. The **gross** amount of self-employment income means the amount after deducting allowable expenses from total proceeds, but before any other deductions. PEM, Item 500, p. 1.

Income remaining after applying the policy in this item is called **countable**.

Count all income that is NOT specifically excluded. PEM, Item 500, p. 1.

GARNISHMENT OR OTHER WITHHOLDING

All Programs

Income includes amounts withheld from income which are:

- . voluntary, or
- . to repay a debt, or
- . to meet a legal obligation. PEM, Item 500, p. 2.

Some examples of amounts which may be withheld, but are still considered income are:

- . Income taxes.
- . Health or life insurance premiums.
- . Medicare premiums.
- . Union dues.
- . Loan payments.
- . Garnishments.
- . Court-ordered or voluntary child support payments. PEM, Item 500, p. 2.

In this case, the claimant clarified at the beginning of the hearing that his hearing request was only for being denied for AMP benefits. He is not disputing the department's determination on any other program.

The claimant applied for Medical Assistance on his March 17, 2009, application. The claimant is over the age of 21 and under the age of 65, not disabled and not a primary caretaker of any children. Thus, the only MA program he may be eligible for is AMP. The table at RFT 236 lists the income levels by living arrangement for AMP benefits. An independent living individual has an AMP income limit of \$316.00. The claimant testified that he has child support and a house payment deducted from his income because he and his wife are separated. However, department policy directs that this be counted as income. PEM 500. Thus, the claimant's income does exceed the AMP income limits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly determined that the claimant had excess income to receive AMP benefits and properly denied his AMP application.

Accordingly, the department's actions are UPHELD. SO ORDERED.

/s/

Suzanne L. Keegstra
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: November 4, 2009

Date Mailed: November 5, 2009

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 mailing 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.

SLK [REDACTED]

cc:

[REDACTED]