

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.: 2009-33848

Issue No.: 2014

Case No.: [REDACTED]

Load No.: [REDACTED]

Hearing Date:

November 18, 2009

Wayne County DHS (43)

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

HEARING DECISION

This matter is before the undersigned Administrative Law Judge upon pursuant to MCL 400. 9; MCL 400.37 upon claimant's request for a hearing. After due notice a telephone hearing was held on November 18, 2009 claimant was present with witness [REDACTED] and both testified. Claimant was represented by attorney [REDACTED]. [REDACTED] appeared for the department and testified.

ISSUE

Did the Department properly determine claimant's MA benefits?

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 was a Medicaid recipient.
- (2) Pursuant to a redetermination, the Department determined on July 11, 2009 that claimant had excess income and a \$549 Medicaid deductible, effective August 1, 2009.
- (3) Claimant is receiving RSDI benefits of \$944.

- (4) Claimant requested a hearing on July 15, 2009 contesting the amount of his Medicaid spend down.
- (5) At hearing claimant raised issues regarding medical bills from 2007, 2008 and 2009 that he believes should have been covered by Medicaid.

#### 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).

The Medical Assistance 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 Items 544 and 545, an eligible Medical Assistance group (Group II 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 be 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 it wants medical coverage. (PEM 545; 42 CFR 435.831.)

BAM 600 page 4 under the heading Deadline for Requesting Hearings states the AHR or, if none, the client has 90 calendar days from the date of the written notice of case action to request a hearing. The request must be received anywhere in DHS within the 90 days. An administrative law judge does not have jurisdiction to address issues that occurred more than 90 days prior to the hearing request.

In the present case, claimant is contesting the deductible amount for his MA benefits. In determining net income a standard deduction of \$20 is deducted for SSI-related Medical Assistance recipients (disabled). Claimant's RSDI benefit is \$944, after subtracting \$20 for the standard deduction his net income is \$924. Claimant's net income \$924 exceeds the monthly protected income level of \$375 by \$549 per month. Claimant is consequently ineligible to receive Medical assistance. However under the deductible program, if the claimant incurs medical expenses in excess of \$549 during the month he may then be eligible for Medical Assistance. This ALJ finds that the department has acted in accordance with department policy and law in denying ongoing Medical assistance and determining his deductible amount.

With regards to claimant's complaints with Medicaid coverage prior to April 2009, this administrative law judge has no jurisdiction to address such matters. BAM 600 The department agreed at hearing to process all medical bills claimant submitted after April 1, 2009 to determine if Medicaid should pay for these bills. Claimant complained at hearing, that his requests to the Department for access to his file have not been met. The Department should furnish claimant his complete file as soon as possible.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the department was correct in the determination of MA benefits, and it is ORDERED that the department's decision in this regard be and is hereby AFFIRMED.



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

Date Signed: 12/14/09

Date Mailed: 12/14/09

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 60 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.

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