

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.: 2009-34448  
Issue No.: 2000  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date:  
May 13, 2010  
Oakland County DHS (2)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant request for hearing received by the Department on July 2, 2009. After due notice, a telephone hearing was conducted from Detroit, Michigan on Thursday, May 13, 2010. The Claimant appeared and testified. [REDACTED] [REDACTED] and [REDACTED] appeared on behalf of the Department.

ISSUE

Whether the Department properly processed the Claimant's Medical Assistance application?

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 is a MA recipient.
2. In March 2009, the Department determined the Claimant's eligibility for Medical Assistance ("MA") benefits.

3. The Claimant received Retirement, Survivor's, Disability Insurance ("RSDI") income in the amount of \$1,063.00/month. (Exhibit 1, p. 4)
4. The Claimant's minor son resides with the Claimant and receives child support income in the amount of \$485.00/month. (Exhibit 1, p. 4)
5. The Department ran the budget and determined that the Claimant was eligible for MA benefits provided a \$380.00 monthly deductible was met.
6. The Department notified the Claimant of her eligibility and deductible amount. (Exhibit 1, p. 5)
7. On July 2, 2010, the Department received the Claimant's written request for hearing.
8. During the hearing, the Department agreed to recalculate the Claimant's MA deductible under the program most beneficial to the Claimant.

#### CONCLUSIONS OF LAW

The Medical Assistance ("MA") program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act. 42 USC 1397 and is administered by the Department of Human Services ("DHS"), formerly known as the Family Independence Agency, pursuant to MCL 400.10, *et seq* and MCL 400.105. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Manual ("BRM").

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105 Medicaid is also known as Medical Assistance ("MA"). *Id.* The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. *Id.* Programs for individuals not receiving FIP or SSI are based on eligibility factors in either the FIP or SSI program thus are

categorized as either FIP-related or SSI-related. *Id.* To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formally blind or disabled. *Id.* Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant women, receive MA under FIP-related categories. *Id.*

In general, the terms Group 1 and Group 2 relate to financial eligibility factors. PEM 155 through 174 discusses SSI-related categories. PEM 105 Financial eligibility for Group 1 exists when countable income minus allowable expenses equals or is below certain income limits. *Id.* MA income eligibility exists for the calendar month tested when there is no excess income or allowable medical expenses that equal or exceed the excess income. BEM 545 The fiscal group's monthly excess income is called a deductible amount. *Id.* Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. *Id.* FIP- and SSI-related Group 2 eligibility is possible even when net income exceeds the income limit because incurred medical expenses are considered. *Id.* Eligibility is determined on a calendar month basis. BEM 105 Individuals that are aged (65 or older) blind or disabled fall under the SSI-related Group 2 MA category. BEM 166

In the record presented, the Department calculated the Claimant's MA deductible under the MA-N program based on having a minor child in the home. The Claimant agreed with the income figure used in determining eligibility. The Claimant receives RSDI benefits based on disability. During the hearing, the Department agreed to recalculate the Claimant's MA budget under the MA-P program to determine if the deductible would be less. In light of the accord, there is no additional issue that needs to be addressed.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department's actions are not upheld.

Accordingly, it is ORDERED:

1. The Department's actions are not upheld.
2. The Department shall, as agreed, recalculate the Claimant's MA deductible under the program most favorable to the Claimant.
3. The Department shall notify the Claimant of the determination in writing in accordance with policy.
4. The Department shall supplement for lost benefits (if any) that the Claimant was entitled to receive if otherwise eligible and qualified.

*Colleen M. Mamelka*

---

Colleen M. Mamelka  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 5/28/2010

Date Mailed: 5/28/2010

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 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.

CMM/jlg

cc:

