

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: 2009-14464

Issue No: 2026

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

February 25, 2009

Tuscola County DHS

ADMINISTRATIVE LAW JUDGE: Janice G. Spodarek

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, an evidentiary hearing was held on February 25, 2009.

ISSUE

Did the Department of Human Services (DHS) and claimant come to an agreed upon settlement at the evidentiary hearing?

FINDINGS OF FACT

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

(1) At all relevant times prior to the proposed negative action herein, claimant and her spouse were MA recipients under the caretaker-relative program.

(2) On 12/8/08, the DHS received a new hire report showing income from two separate jobs which were previously unreported.

(3) The DHS issued two verification of employment reports regarding the jobs. On 12/12/09, the DHS received the completed forms back with the information regarding the jobs requested by the DHS.

(4) The department re-calculated MA eligibility, which showed an MA spend-down case for Group 2 caretaker relative.

(5) The department stipulated at the administrative hearing that the worked failed to take into account the proper income as one employment report had both a start and end date which was not accounted for in the MA budget.

(6) The department issued notice on 12/16/08 without properly calculating the income eligibility to indicate that claimant's MA will change to a spend-down.

(7) On 12/26/08, claimant filed a timely hearing request. The department reinstated the action pending the outcome of the hearing.

(8) The DHS and claimant came to an agreed upon settlement at the administrative hearing.

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

MCL 24.278(2) allows for disposition to be made of a contested case hearing by stipulation or agreed upon settlement. At the evidentiary hearing held on 2/25/09, claimant and the department's representative reached an agreed upon settlement. The terms of the settlement are:

The department stipulated that the DHS will complete a new MA budget to calculate eligibility as previously the incorrect income was applied to the spend-down budget. The department had erred earlier in failing to take into account a verification of employment form which showed a start and end date as to the income. The department further stipulated that it will issue new notice to claimant informing her of the outcome of the new MA budget. The new notice shall contain claimant's hearing rights and claimant shall retain a right to a hearing for 90 days from the date of the new notice.

As noted above, claimant will retain a right to a hearing on the above new eligibility determination as will be specified on the notice for 90 days from the date of the written decision.

45 CFR 205.10; PAM Item 600.

DECISION AND ORDER

The Administrative Law Judge, based upon the agreed upon settlement, ORDERS the department to initiate the actions as set forth in the settlement as specified herein.

/s/ \_\_\_\_\_  
Janice G. Spodarek  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: March 27, 2009

Date Mailed: March 27, 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 mailing date of the rehearing decision.

JGS [REDACTED]

cc: [REDACTED]