

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: 2009-16695

Issue No: 2014

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date: [REDACTED]

[REDACTED]

St Joseph County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 [REDACTED]. Claimant appeared and testified.

ISSUE

Did the Department of Human Services properly close Claimant's Medicare Savings Program due to excess income?

FINDINGS OF FACT

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

- (1) Claimant was an ongoing recipient of Medicare Savings Program benefits.
- (2) On December 23, 2008, the Department ran a new financial eligibility budget for

Claimant and included Claimant's unreported home help provider income. The addition of the earned income made Claimant over the income limit for any Medicare Savings Program.

Claimant was sent a Notice of Case Action (DHS-1605).

(3) On February 10, 2010, Claimant submitted a request for 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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

Department policy provides the following guidance for case workers. The Department's policies are available on the internet through the Department's website.

MEDICARE SAVINGS PROGRAMS

DEPARTMENT POLICY

MA Only

Medicare Savings Programs are SSI-related MA categories. They are neither Group 1 nor Group 2.

This item describes the three categories that make up the Medicare Savings Programs. The three categories are:

1. Qualified Medicare Beneficiaries

This is also called full-coverage QMB and just QMB.
Program group type is QMB.

2. Specified Low-Income Medicare Beneficiaries

This is also called limited-coverage QMB and SLMB.
Program group type is SLMB.

3. Q1 Additional Low-Income Medicare Beneficiaries

This is also referred to as ALMB and as just Q1. Program group type is ALMB.

There are both similarities and differences between eligibility policies for the three categories. Benefits among the three categories also differ.

Income is the major determiner of category.

QMB Net	income cannot exceed 100% of poverty.
SLMB	Net income is over 100% of poverty, but not over 120% of poverty.
ALMB	(Q1) Net income is over 120% of poverty, but not over 135% of poverty.

A person who is eligible for one of these categories **cannot** choose to receive a different Medicare Savings Program category. For example, a person eligible for QMB **cannot** choose SLMB instead.

All eligibility factors must be met in the calendar month being tested.

MEDICARE SAVINGS PROGRAMS BENEFITS

QMB Benefits

QMB pays:

- Medicare premiums, and

Note: QMB pays Medicare Part B premiums and Part A premiums for those few people that have them.

- Medicare coinsurances, and
- Medicare deductibles.

SLMB Benefits

SLMB pays Medicare Part B premiums.

ALMB Benefits

ALMB pays Medicare Part B premiums provided funding is available. The Department of Community Health decides whether funding is available. (BEM 165)

In this case Claimant does not dispute that she had home help provider income. Claimant testified that the amount had gone down since this Department action. The Department provided verification of the amount of Claimant's home help provider income used in the financial eligibility budget. The financial eligibility budget was checked and Claimant's group's income exceeds the income limit for Medicare Savings Programs.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services properly close Claimant's Medicare Savings Program due to excess income.

It is ORDERED that the actions of the Department of Human Services, in this matter, are UPHELD.

/s/

Gary F. Heisler
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: April 9, 2010

Date Mailed: April 9, 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 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.

GFH/alc

cc:

