

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: 2010-13575  
Issue No: 2014  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
June 1, 2010  
Wayne County DHS(41)

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was held on June 1, 2010. The Claimant appeared by telephone with his wife [REDACTED] and both testified. [REDACTED] and [REDACTED] appeared on behalf of the Department.

ISSUE

Was the Department correct in determining Claimant's Medicaid Assistance Eligibility?

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's MA benefit was closed effective December 4, 2009 due to excess income.
- (2) Claimant has \$920 unearned income from social security.
- (3) Claimant's wife and household member [REDACTED] has \$1505 unearned income from unemployment benefits.

- (4) Claimant requested a hearing on December 4, 2009 contesting the closure of MA benefits.

#### 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.)

In the present case, Claimant's RSDI benefit is \$920 and Claimant's wife has \$1505 unearned income from unemployment, after subtracting \$20 for the general exclusion his net income is \$911. Claimant's net income \$2405 exceeds the monthly protected income level of \$500 by \$1905 per month. RFT 242 Claimant is consequently ineligible to receive Medical assistance. The income limit from the QMB program for a 2 person household is \$1215; the income limit for the SLMB program for a 2 person household is \$1457. RFT 242 Therefore Claimant is ineligible for QMB and SLMB also.

This ALJ finds that the Department has acted in accordance with Department policy and law in denying ongoing Medical assistance, QMB and SLMB.

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, QMB, and SLMB 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: 06/23/2010

Date Mailed: 06/23/2010

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

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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.

AM/cjp

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