

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF THE CLAIM OF:

[REDACTED]

Reg. No.: 2010 22661  
Issue No.: 2026  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: June 24, 2010  
Wayne County DHS (17)

**ADMINISTRATIVE LAW JUDGE:** Lynn Ferris

**HEARING DECISION**

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 24, 2010. The claimant appeared and testified. [REDACTED] appeared as an interpreter for the Claimant. [REDACTED], ES appeared on behalf of the Department.

**ISSUE**

Did the Department properly calculate the Claimant's Medical Assistance budget and spend down amount.

**FINDINGS OF FACT**

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

1. The Claimant completed a semi annual review on January 19, 2010.
2. The Claimant reported a change in household income indicating that she received \$1,100 per month in unemployment benefits and child support. Exhibit 1
3. The Claimant was a Medicaid recipient and had an increase in her spend down amount to \$33.
4. The Claimant receives \$300 per month in Child support.

5. The Claimant currently receives unemployment benefits in the amount of \$442 bi weekly.
6. The Department budget was incorrect because it used \$100 per month in the claimant's budget as the Claimant's child support instead of \$300.
7. The Department's budget utilized \$442 bi-weekly as the amount being received by the Claimant for unemployment benefits for a monthly gross income amount of \$884 which amount is correct.
8. To the extent that the spend down amount determined by the Medical Assistance Group 2 Caretaker budget used an incorrect amount for child support income, the Budget is incorrect.
9. The Claimant filed her hearing request on February 5, 2010 protesting the Department's calculation of the Claimant's FAP and MA deductible amount. The Claimant's hearing request was received by the Department on February 23, 2010.
10. At the hearing the Claimant acknowledged that she no longer had any issue with the Food Assistance amount she received and that she only wished to have a hearing regarding the Medical Assistance spend down (deductible) amount.

### **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).

In the instant case, the Claimant questions the Department's calculation of her MA.

The undersigned has reviewed the MA budget and found it to be incorrect because the child support amount used in the budget is incorrect. Because of this error by the Department the Medical spend down amount or deductible of \$33 is also incorrect.

The Department must recalculate the budget and include the correct amount for child support of \$300 and the Claimant unemployment benefits income of \$442 bi-weekly. The fact that the Claimant receives more income than was used by the Department to calculate the deductible would likely indicate that the deductible amount will increase. Should the Claimant stop receiving unemployment benefits or her child support income

changes and decreases, the Claimant is urged to report the decrease in income as the change will effect the amount of the deductible.

This ALJ sympathizes with the claimant but there is nothing that can be done to change the fact that the wrong income amount was used and that as a result of the hearing and the Claimant's testimony, it appears that the budget and the resulting spend down deductible amount is wrong and must be recalculated

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law finds that its determination of the Claimant's medical spend down amount is incorrect and therefore the Department's decision is REVERSED.

Accordingly it is ordered:

The Department shall recalculate the Claimant's budget for Group 2 Caretaker and utilize the correct child care amount of \$300 to determine the correction spend down deductible amount.



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Lynn Ferris  
Administrative Law Judge  
For Ismael Ahmed, Director  
Department of Human Services

Date Signed: 07/07/2010

Date Mailed: 07/07/2010

**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 of the rehearing decision.

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