

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.: 2010-10413
Issue No.: 2026
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date:
June 3, 2010
Wayne County DHS (17)

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's request for hearing. After due notice, a hearing was held in Detroit, Michigan on Thursday, June 3, 2010. The Claimant's son (authorized representative) appeared, along with [REDACTED] and testified. [REDACTED] and [REDACTED] appeared on behalf of the Department.

ISSUE

Whether the Department properly calculated the Claimant's Medical Assistance ("MA") deductible?

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. The Claimant's group size is 3.

3. The Claimant receives Retirement, Survivor's, Disability Insurance ("RSDI") income.
4. The Claimant's daughter receives RSDI income.
5. The Claimant's prior MA budget did not include any unearned income. (Exhibit 2)
6. During review, the RSDI income was included in the MA budget resulting in a \$839.00 deductible. (Exhibit 1)
7. The Department notified the Claimant of the MA deductible amount.
8. On October 26, 2010, the Department received the Claimant's written 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, 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 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 Supplemental Security Income ("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.*

All countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500 Yearly expenses are averaged over a 12-month period. BEM 554 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 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 Current SSA-issued SSI is excluded as income. BEM 500 Conversely, RSDI is counted as unearned income. *Id.* The fiscal group's monthly excess income is called a deductible amount. BEM 545 Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. *Id.*

In this case, during the redetermination process, the Department discovered that the RSDI income was not previously included in the MA budget. The protected pay amount was \$532.00. In running the budget, the Department included the RSDI income which resulted in a high deductible. The Claimant agreed with the earnings (unearned income) figure used in the budget calculation but disagreed with result. Ultimately, the Department established it acted in accordance with department policy when it calculated the Claimant's MA deductible. Accordingly, the Department's determination is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department acted in accordance with department policy when it calculated the Claimant's MA deductible.

Accordingly, it is ORDERED:

The Department's determination is AFFIRMED.

Colleen M. Mamelka

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

Date Signed: 06/10/2010

Date Mailed: 06/10/2010

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/cjp

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