

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201033400
Issue No.: 2015
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: August 18, 2010
DHS Office: Wayne County DHS (17)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 August 18, 2010. The claimant appeared and testified; [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS properly calculated Claimant's Medical Assistance (MA) benefits as Medicaid subject to a \$254/month deductible.

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 MA recipient.
2. Claimant is the caretaker of two minor children.
3. Claimant is employed and received gross income of \$555 on 2/5/10 and \$600 on 2/19/10. Exhibit 1.
4. DHS determined Claimant to be income-eligible for Medicaid subject to a \$254/month deductible.

5. Claimant requested a hearing on 7/27/10 disputing her eligibility for Medicaid subject to a monthly deductible.

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 Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

A recipient with excess income for ongoing Medicaid may still be eligible for Medicaid under the deductible program. Clients with a Medicaid deductible may receive Medicaid 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.

Clients may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. BEM 105 at 2. Claimant is a non-pregnant, non-senior, non-disabled caretaker of minor children who is over 21 years old. Claimant's most beneficial MA program for ongoing Medicaid is through Low-Income Family (LIF) or Group 2 Caretaker (G2C).

Claimant verified monthly income of \$1155, the sum of Claimant's 2/2010 checks from employment. In calculating Claimant's net income for LIF, employment earnings receive a \$200 + 20% disregard. BEM 110 at 16. Claimant's net income for purposes of LIF eligibility is \$764. The monthly net income limit for a three person (Claimant and her two children) LIF group is \$519/month. Claimant's net income exceeds the income limits for LIF eligibility. It is found that DHS properly denied Claimant LIF benefits.

Claimant can still receive Medicaid through G2C. Income calculations for all Group 2 MA categories are located within BEM 536. The net income calculation starts with Claimant's gross monthly income which is \$1155. Claimant receives a \$90 disregard bringing the income amount down to \$1065. This figure is divided by the sum of 2.9 and Claimant's number of dependents (two based on Claimant's minor children). Dividing

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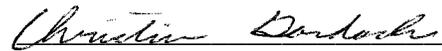
\$1065 by 4.9 creates a prorated share of income of \$217. That number is multiplied by 2.9 to create Claimant's total net income of \$629. The income limit for G2C eligibility is \$375. RFT 240. The amount that Claimant's total net income exceeds the income limit (\$375) is the amount of Claimant's deductible. It is found that DHS properly calculated Claimant's G2C eligibility as Medicaid subject to a \$254/month deductible.

As discussed in the hearing, Claimant can report any income changes to DHS for future re-evaluation of her MA benefit income-eligibility. Also, Claimant may report any dependent care expenses (i.e. babysitting, latch-key) to DHS which may positively affect her income eligibility for MA benefits.

DECISION AND ORDER

The actions taken by DHS are AFFIRMED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly calculated Claimant's eligibility for MA benefits.

/s/



Christian Gardocki
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: August 27, 2010

Date Mailed: August 27, 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.

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