

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: 2010-42197
Issue No: 2026
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
August 3, 2010
Jackson 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 hearing was held on August 3, 2010. Claimant appeared, stated the only issue she needed to look at was her Medical Assistance (MA) deductible, and testified.

ISSUE

Did the Department of Human Services properly determine that Claimant was eligible for a deductible Medical Assistance (MA) case?

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 Transitional Medical Assistance (TMA). Claimant's allowed 12 months of TMA would end on July 1, 2010. BEM 111
- (2) On June 10, 2010, Claimant submitted information for re-determination of all her

benefit cases. A Group 2 MA income eligibility budget was run using earned income verifications which Claimant had submitted. Claimant was sent a Notice of Case Action (DHS-1605) which stated she was eligible for MA under a \$ [REDACTED] deductible.

(3) On June 30, 2010, Claimant submitted a request for hearing. On the request Claimant included Food Assistance Program (FAP) but at this hearing Claimant stated she did not have any issues with her Food Assistance Program (FAP) benefits, only her deductible MA.

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).

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. Medicaid is also known as Medical Assistance (MA). BEM 105.

The State of Michigan has set guidelines for income, which determine if an MA group is eligible. Income eligibility exists for the calendar month tested when:

- . There is no excess income, **or**
- . Allowable medical expenses equal or exceed the excess income (under the Deductible Guidelines). BEM 545.

Net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. BEM 105. Income eligibility exists when net income does **not** exceed the Group 2 needs in BEM 544. The protected income level is a set allowance for non-medical need items such as shelter, food and incidental expenses. RFT 240

lists the Group 2 MA protected income levels based on shelter area and fiscal group size. An eligible Medical Assistance group (Group 2 MA) has income the same as or less than the “protected income level” as set forth in the policy contained in the Program Reference Table (PRT). 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. The deductible program 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.

In this case Claimant testified that she did not dispute the amount of earned income the Department attributed to her. Claimant stated she did not think she should be on a deductible because she had full medical before and there had been no changes. Information in the record shows that Claimant had been receiving full medical under Transitional Medical Assistance (TMA) between July 1, 2009 and June 30, 2010. In accordance with BEM 111 TMA may only last 12 months. Beginning July 1, 2010 Claimant’s MA was subject to the financial eligibility factors contained in BEM 135. The Group 2 MA income eligibility budget showed that Claimant’s share of her own income was \$ [REDACTED] RFT 240 shows that Claimant’s protected income level is \$ [REDACTED] Claimant’s share of her own income is \$ [REDACTED] more than her protected income level.

This Administrative Law Judge checked the computation of Claimant's deductible amount. I only had Claimant's earned income as calculated for Food Assistance Program (FAP) benefits and had to extrapolate Claimant's earned income for Medical Assistance (MA). My calculations resulted in a slightly higher amount for Claimant's share of her own income. Given the possibility of missing information from my calculations and the fact that the current deductible amount is in Claimant's favor, I will stop my analysis at a determination that Claimant is only eligible for MA under a deductible.

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 determine that Claimant was eligible for a deductible Medical Assistance (MA) case.

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: August 16, 2010

Date Mailed: August 17, 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:

