

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.: 201046393  
Issue No.: 2012  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: September 2, 2010  
Wayne County DHS (43)

**ADMINISTRATIVE LAW JUDGE:** Lynn M. 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 September 2, 2010. The claimant appeared and testified through his representative and guardian, [REDACTED], FIM appeared on behalf of the Department.

**ISSUE**

Whether the Department correctly determined and entered the proper date when the Claimant demonstrated that he had met the monthly spend down amount for his Medicaid Deductible by entering the date expenses were incurred.

**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 is a recipient of Medical Assistance and is required to meet a monthly spend down amount in order to be eligible for Medicaid.
2. The Claimant's guardian provides the Department on a monthly basis proof that he has met his spend down amount so he is eligible for Medicaid. The Claimant's prescription for diabetes drugs each month total the same amount and exceed the spend down deductible.
3. The claimant's guardian testified credibly that she hand delivers to the Department proof that medical expenses have been incurred to meet the spend down amount on the first day of the month.

4. The Claimant's chore services helper has not been paid in full because the date the spend down was satisfied has not been properly entered, due to the fact that the medical eligibility date has been incorrectly entered so the eligibility date occurs later than the actual date that medical expenses have been incurred.
5. It was unclear from the records and testimony presented by the Department whether the dates the medical expenses were incurred were the dates entered to establish the date the medical spend down has been met by the Claimant.
6. Prior to the hearing the issue raised by the hearing request with regard to Food Assistance had been addressed and the Claimant is satisfied with the result and is receiving food assistance.
7. The Claimant requested a hearing protesting the date established by the Department that his medical spend down had been met on August 2, 2010 which was received by the Department on the same date.

### **CONCLUSIONS OF LAW**

The Medical Assistance (MA) program is established by the 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 Program Reference Manual (PRM).

A Claimant who is subject to a medical spend down referred to as a deductible amount may become eligible for Medicaid when the medical expenses incurred exceed the excess income amount. BEM 545, Page 8. Each calendar month is a separate deductible period. A recipient meets a deductible amount by reporting and verifying allowable medical expense that meet or exceed the deductible amount. BEM 545 id. A medical expense must be incurred and the services rendered for the expense to be counted. BEM 545 Medical coverage is to be added each time a group meets its expenses.

In the instant case the Claimant submitted bills on the very first day of the month in which the bills for prescriptions were incurred. The Claimant's representative's testimony was both credible and unrebutted by the Department. The Department did not provide the date(s) it entered the medical expenses nor could it establish or determine the dates that medical expenses that were provided to it were incurred. The Department could not say with any specificity when the Claimant met the deductible

amount or what dates it used to determine eligibility when reviewing the medical bills provided by the Claimant. Under these circumstances the Department has not met its burden of proof to demonstrate that it acted in accordance with Bridges policy governing determining medical eligibility assistance and when the medical deductible is met.

Under these circumstance, the Department is required to retroactively determine if the proper dates were entered in its Bridges computer system and is required to correct the dates, if any, which were entered improperly, and to enter the date the eligible medical expenses were incurred, not the date they were submitted as required by BEM 545.pages 21-25. The Claimant's date(s) of medical eligibility should be reviewed by the Department beginning March 2010 through the date of the hearing.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law finds that the Department's actions with regard to determining monthly medical eligibility must be REVERSED.

Accordingly it is ORDERED:

1. The Department is ordered to review and redetermine the dates of Medical eligibility of the claimant and to review the medical bills submitted by the Claimant retroactive to May 2010 through the date of the hearing, September 2, 2010, and determine and confirm the date the deductible medical expense was met.
2. The Department is further ordered to correct any incorrect dates when the eligibility of medical eligibility began and to enter those dates into the Bridges System. All such entries by the Department of medical expenses to determine meeting the deductible shall be based on the date the medical expense was incurred.



---

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

Date Signed: 9/8/2010

Date Mailed: 9/8/2010

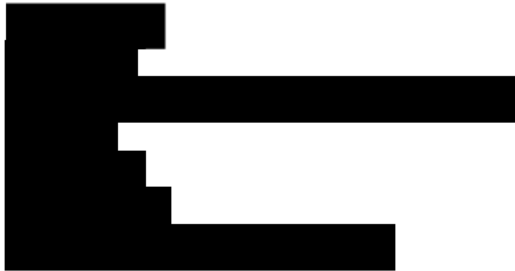
201046393/LMF

**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.

LMF/jlg

cc:

A large black rectangular redaction box covering several lines of text in the 'cc:' field.