

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.: 2010-53229  
Issue No.: 2026  
Case No.: [REDACTED]  
Hearing Date: December 16, 2010  
DHS County: Oakland (63-04)

**ADMINISTRATIVE LAW JUDGE:** Susan C. Burke

**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 telephone hearing was held on December 16, 2010. Claimant appeared and testified. Claimant's husband, [REDACTED], also testified. [REDACTED] appeared on behalf of the Department of Human Services (Department).

**ISSUE**

Did the Department properly deny ongoing Medical Assistance (MA) due to excess income?

**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, Claimant's spouse, and Claimant's child were ongoing MA recipients.
2. Claimant earned approximately \$720.00 every two weeks.
3. Claimant's spouse received Social Security Income (SSI) in the amount of \$980.00 per month.
4. Claimant's son received SSI in the amount of \$466.00 per month.
5. The Department erroneously omitted claimant's spouse's SSI in its previous calculation for the group.

6. The Department has since included the SSI and as a result, the Department found Claimant, Claimant's spouse, and Claimant's child ineligible for ongoing MA due to excess income.
7. The Department determined that Claimant's spouse had a deductible of \$1,120.00 per month and notified claimant on July 23, 2010.
8. Claimant requested a hearing on July 30, 2010.

### **CONCLUSIONS OF LAW**

The 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 (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).

The goal of the MA program (also known as Medicaid) is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105.

The State of Michigan has set guidelines for income, which determine if an MA group is eligible. 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. However, an MA group may become eligible for assistance under the deductible program. A deductible 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. BEM 545; 42 CFR 435.831.

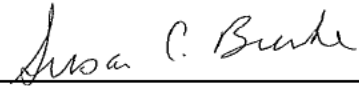
In the present case, Claimant does not dispute the income used by the Department or the amount of deductible the Department reached after including Claimant's husband's SSI amount, which was previously erroneously excluded. Claimant argues that she is unable to pay the deductible per month for the group's medical expenses because of limited means. This Administrative Law Judge does sympathize with Claimant in the instance, but does not have the prerequisite jurisdiction to change or alter Department policy and State law at the present time. This Administrative Law Judge finds that the

2010-53229/SCB

Department has acted in accordance with Department policy and law in denying ongoing MA.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department's decision to deny ongoing MA was correct. Accordingly, the Department's decision in this matter is hereby AFFIRMED.



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Susan C. Burke  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: January 3, 2011

Date Mailed: January 4, 2011

**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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