

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: 201010830

Issue No: 2001

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

September 30, 2010

Oakland County DHS

ADMINISTRATIVE LAW JUDGE: Robert J. Chavez

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 September 30, 2010.

ISSUE

Was the claimant's AMP application properly denied for 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 was a recipient of AMP based MA in Oakland County.
- (2) After a redetermination in September 2009, claimant's AMP was placed into closure due to excess income.
- (3) Claimant had earned income that was received twice monthly.
- (4) Claimant was determined to have a net income for the AMP program of \$319.

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 Bridges Reference Manual (BRM) and Reference Tables (RFT).

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or Department) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

Claimant's must meet all eligibility requirements to receive AMP benefits. BEM 640. Income eligibility exists when the program group's net income does not exceed the program group's AMP income limit. BEM 640. AMP income limits are contained in RFT 236, which is \$316 in the current case. Only countable income, per BEM 500 is used in determining AMP net income. BEM 640.

A standard monthly amount must be determined for each income source used in the budget. Stable and fluctuating income received more often than once per month is converted to a standard monthly amount. The following methods are used:

- Weekly income is multiplied by 4.3.
- Income received every two weeks is multiplied by 2.15.
- Income received twice a month is added together for a monthly total. BEM 505.

In the current case, the Department was given two of the claimant's recent monthly paychecks, and was told that she received paychecks twice a month, on the 15th and the 30th. BEM 505 explicitly states that when paychecks are received twice per month, the paychecks are to be added together. At the time the action was taken, there was no indication that the claimant's submitted paychecks were out of the ordinary; therefore, only one month of the paychecks were required for prospective income calculations. The Department correctly added the two paychecks together, as was directed by BEM 505.

Furthermore, after reviewing the AMP budget, the undersigned is unable to find any mistakes. Claimant was given a gross earned income of \$599.17, after correctly adding claimant's semi-monthly paychecks together. A gross earned income of \$599.17 becomes a net income of \$319, after factoring in a \$200 +20% earned income disregard. The AMP income limit for a group size of 1 is \$316. Therefore, claimant is over the net income limit established by the AMP program. While the undersigned admits that \$3 is an extremely narrow margin, there does not appear to be an error in the Department's methods—it appears that the Department strictly followed policy. As the Department followed policy, the decision to close the claimant's AMP case must be upheld.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department was correct when it determined claimant income exceeded the income limit for the AMP program.

Accordingly, the Department's decision in the above stated matter is, hereby,
AFFIRMED.



Robert J. Chavez
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 10/13/10

Date Mailed: 10/15/10

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.

RJC/dj

cc:

