

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.: 201011274
Issue No.: 2015
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: August 30, 2010
Wayne County DHS (82)

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 30, 2010. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], appeared and testified.

ISSUE

Whether DHS properly determined Claimant's eligibility for Medical Assistance (MA) benefits beginning 12/2009 as Medicaid subject to a monthly deductible of \$437/month.

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, finds a material fact:

1. Claimant was an ongoing MA recipient.
2. Claimant is a non-pregnant and non-disabled caretaker of two minor children.
3. Claimant is between the ages of 21-65 years.
4. As of 12/2009, Claimant received \$688/2 weeks (Exhibit 1) in Unemployment Compensation (UC) income; Claimant also received an additional \$50/2 weeks in UC income from the 2009 American Reinvestment and Recovery Act.
5. On an unspecified date, DHS determined that Claimant was income-eligible for Medicaid subject to a \$437/month deductible beginning 12/2009. Exhibit 2.

6. On 11/04/09, Claimant submitted a hearing request disputing the DHS determination of her MA eligibility beginning 12/2009; Claimant also disputed the DHS determination of her MA eligibility from 7/2009-9/2009 but stated that she no longer disputed that determination.

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 Reference Tables Manual (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

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 medical expenses to DHS that equal or exceed the deductible amount for the calendar month.

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. As a non-disabled, non-pregnant, non-senior, over twenty one year old caretaker of minor children, Claimant's most beneficial MA category is through Low-Income Family (LIF) or through Group 2 Caretaker (G2C).

Only Claimant's income-eligibility for MA benefits is in dispute. Claimant does not assert that DHS miscalculated her eligibility, only that she should be eligible for ongoing Medicaid based on her income.

Claimant receives \$738/2 weeks in UC income. \$50/2 weeks of the income comes from the American Recovery and Reinvestment Act; this income is not countable income for purposes of MA benefits. BPB 2010-008. Claimant's biweekly income is multiplied by two to convert it to a monthly amount of income. Claimant's income for purposes of MA benefits is \$1376/month.

LIF eligibility exists when the LIF group's monthly income does not exceed the LIF income limit. 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. It should be noted that Claimant also had child support income which was not factored into the above calculation; counting the child support would have increased the LIF group's income and could have only made it less likely that Claimant was eligible for MA benefits through LIF.

As a caretaker to minor children, Claimant could also 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 \$1376. This figure is divided by the sum of 2.9 and Claimant's number of dependents (two based on Claimant's minor children). Dividing \$1376 by 4.9 creates a prorated share of income of \$280. That number is multiplied by 2.9 to create Claimant's monthly net income of \$812. 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 \$437/month deductible.

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 beginning 12/2009 as Medicaid subject to a \$437 monthly deductible.

/s/



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

Date Signed: September 23, 2010

Date Mailed: September 23, 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

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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.

CG/hw

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