

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

██████████

Claimant

Reg. No.: 201012842  
201011578

Issue No.: 2013

Case No.: ██████████

Load No.: ██████████

Hearing Date:  
April 22, 2010

Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 April 22, 2010. The Claimant appeared at the hearing with his wife, ██████████ and both testified. ██████████ and ██████████ FIM appeared on behalf of the Department.

ISSUE

Whether the Department properly determined Claimant's eligibility for Group 2 Caretaker Medicaid.

FINDINGS OF FACT

- (1) A Group 2 Caretaker Medical Assistance budget was completed on December 9, 2009 for Claimant's wife and the Department determined that Claimant's wife (and household member) ██████████ had excess income that resulted in a Medicaid deductible of \$389.

- (2) Claimant receives SLMB benefits for his medical coverage.
- (3) Claimant receives \$1333 per month unearned income from social security.
- (4) Claimant receives \$255 per month from a pension.
- (5) Claimant's daughter [REDACTED] receives \$166 per month from social security.
- (6) Claimant's daughter [REDACTED] receives \$528 per month from social security.
- (7) Claimant's son [REDACTED] receives \$528 per month from social security.
- (8) Claimant's wife [REDACTED] receives \$166 unearned income from social security.
- (9) Claimant requested a hearing on December 2, 2009 contesting the determination of Medicaid eligibility.
- (10) Claimant testified that he was satisfied with his medical coverage and only wanted the issue of his wife's Medicaid eligibility to be addressed.

#### CONCLUSIONS OF LAW

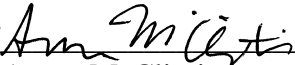
The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et 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 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 Medical Assistance program was designed to assist

needy persons with medical expenses. The State of Michigan has set guidelines for income, which determines if a MA group falls within the needy classification. Under BEM Items 544 and 545, an eligible Medical Assistance group (Group II MA) has income the same as or less than the “protected income level” plus medical insurance premiums as set forth in the policy contained in the program reference table. 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. 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 is contesting the determination of eligibility for his wife’s MA benefits. Department policy BEM 536 dictates how budgetable income is determined. Claimant’s wife’s RSDI benefit is \$166. Claimant’s RSDI benefit is \$1333. Claimant also receives a pension of \$255 Policy dictates that income is divided by a prorate divisor. Claimant’s wife’s prorate divisor is 3.9.  $166/3.9=42.56$  Claimant’s prorate divisor is 3.9.  $\$1588/3.9=407.18$ .  $407.18+42.56=449.74$ . Claimant’s wife’s net income is \$449.74. \$449.74 is less than the \$500 income limit, therefore Claimant is eligible for Group 2 Caretaker Medicaid with no deductible and the Department’s determination was incorrect. BEM 536

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department was incorrect in the determination of MA eligibility for [REDACTED], and it is ORDERED that the Department's decision in this regard be and is hereby REVERSED. MA benefits for [REDACTED] shall be reinstated back to the date of application.

/s/   
Aaron McClintic  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: May 28, 2010

Date Mailed: May 28, 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 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt 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.

AM/htw

cc:

[REDACTED]