

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.: 2010-23413  
Issue No.: 2026  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: September 1, 2010  
DHS County: Wayne (55)

**ADMINISTRATIVE LAW JUDGE:** Jan Leventer

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to Michigan Compiled Laws (MCL) Sections 400.9 and 400.37 and Claimant's request for a hearing. After due notice, a telephone hearing was held on September 1, 2010. Claimant appeared and testified. [REDACTED], Claimant's son, appeared, testified and translated. [REDACTED], appeared and testified on behalf of the Department of Human Services (DHS).

**ISSUE**

Whether Claimant is required to pay a patient-pay amount (PPA, which is also referred to as a deductible or spend-down) before Medicaid provides coverage of his medical expenses?

**FINDINGS OF FACT**

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

1. Claimant's total net income is \$756.
2. Claimant's total net income is \$256 above the income amount at which no deductible payment is required.
3. The amount of Claimant's deductible is \$256.
4. Claimant filed a hearing request with DHS on November 29, 2009.

## **CONCLUSIONS OF LAW**

The Medical Assistance (MA) program, or Medicaid, is established by Title XIX of the United States Social Security Act and is implemented by Title 42 of the Code of Federal Regulations. DHS administers MA 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). These manuals can be found online at [www.michigan.gov/dhs-manuals](http://www.michigan.gov/dhs-manuals).

The manual section that is applicable to this case is BEM 530, "MA Income Budgeting." The version of BEM 530 that was applicable in 2009 is the version that went into effect on August 1, 2008. This earlier version is not available online.

BEM 530 states:

### **DEPARTMENT POLICY**

Use this item for any person whose income is considered in determining income eligibility or a post-eligibility patient-pay amount.

### **BUDGETS**

Determine income eligibility and post-eligibility patient-pay amounts (PPA) on a calendar month basis. BEM 530, effective August 1, 2008, p. 1.

I conclude that BEM 530 means that DHS must use one month's income as the basis for determining whether a Claimant must pay a PPA. At the hearing, Claimant agreed that his income was correctly calculated. I concur that, in this case, the net monthly income has been correctly calculated.

I next turn to RFT 200, "MA Shelter Areas," to determine in which of the six shelter areas Claimant resides. I determine from this chart that Claimant is in Shelter Area IV, which is the area that includes Wayne County, Michigan. RFT 200, effective July 1, 2007.

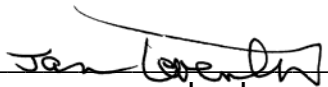
Finally, I refer to RFT 240, "MA Monthly Protected Income Levels," which is a chart that sets maximum income levels for a zero-dollar PPA. Claimant is a family group of two people, himself and his wife, and, as he resides in Shelter Area IV, the maximum net monthly income a claimant can have in order to have a zero-dollar PPA is \$500. RFT 240, effective July 1, 2007.

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Accordingly, as Claimant's total net monthly income is \$756, I conclude and determine that DHS' calculation that his PPA is \$256 is correct. DHS is AFFIRMED as DHS has made a correct calculation of Claimant's required PPA.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, finds that DHS is correct in requiring a \$256 PPA or spend-down before Claimant is eligible for coverage of medical expenses through the Medicaid program. DHS' action is AFFIRMED and the Department need take no further action.

  
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Jan Leventer  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: September 2, 2010

Date Mailed: September 2, 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 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.

JL/pf

cc:

