

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],
Claimant

Reg. No: 2010-38333
Issue No: 2026
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
August 17, 2010
Ionia County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on January 20, 2010. After due notice, a telephone hearing was held on Tuesday, August 17, 2010.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Medical Assistance (MA) eligibility?

FINDINGS OF FACT

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

- (1) The Claimant is an ongoing MA recipient.
- (2) The Claimant receives monthly Supplemental Security Income (SSI) in the gross monthly amount of [REDACTED]

(3) On July 1, 2009, the Department determined that the Claimant was not eligible for Group 1 MA AD Care. Department Exhibit 5.

(4) On July 1, 2009, the Department determined that the Claimant was eligible for the Medical Savings Program under the Specified Low-Income Medicare Beneficiaries category. Department Exhibit 6.

(5) On July 1, 2009, the Department determined that the Claimant was eligible for Group 2 MA benefits with a deductible of [REDACTED]. Department Exhibit 7.

(6) On August 18, 2009, the Department notified the Claimant that she had met her deductible for the period July 1, 2009, through July 21, 2009. Department Exhibit 8 – 14.

(7) The Department received the Claimant's request for a hearing on January 20, 2010, protesting her MA deductible.

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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. PEM 105, p. 1 Medicaid is also known as Medical Assistance ("MA"). *Id.* The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. *Id.* Programs for individuals not receiving FIP or SSI are based on eligibility factors in either the FIP or SSI

program thus are categorized as either FIP-related or SSI-related. *Id.* To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formally blind or disabled. *Id.* Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant women, receive MA under FIP-related categories. *Id.*

FIP- and SSI-related Group 2 eligibility is possible even when net income exceeds the income limit because incurred medical expenses are considered. *Id.* Eligibility is determined on a calendar month basis. PEM 105, p. 2 MA income eligibility exists for the calendar month tested when there is no excess income or allowable medical expenses that equal or exceed the excess income. PEM 545, p. 1 The fiscal group's monthly excess income is called a deductible amount. PEM 545, p. 9 Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. *Id.*

On July 1, 2009, the Department completed a MA budget for the AD-Care program. The Claimant receives SSI benefits in the gross monthly amount of [REDACTED]. This income is reduced by the unearned income general exclusion of \$20 to determine the Claimant's net income of [REDACTED]. Since the income limit to receive AD-Care benefits is \$903, the Claimant is not eligible for this program.

On July 1, 2009, the Department completed a Group 2 MA budget with a group size of one. The Claimant receives SSI benefits in the gross monthly amount of [REDACTED]. This income is reduced by the unearned income general exclusion of \$20 to determine the Claimant's net income of [REDACTED]. The Claimant resides in [REDACTED] and has a protected income limit of [REDACTED]. The Claimant's deductible of [REDACTED] is determined by subtracting her protected income limit from her net income.

On August 18, 2009, the Department determined that the Claimant had met her deductible for the period July 1, 2009, through July 21, 2009. The Claimant receives SSI benefits in the gross monthly amount of [REDACTED]. This income is reduced by the unearned income general exclusion of \$20 to determine the Claimant's net income of [REDACTED]. The Claimant's countable income of [REDACTED] is determined by adding her net income to her insurance premiums of [REDACTED]. Since the Claimant incurred more than [REDACTED] of medical expenses, she had met her deductible for that period and received MA coverage.

Based on the evidence and testimony available at the hearing, I find that the Department determined the Claimant's eligibility for MA benefits in accordance with policy.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's MA eligibility.

The Department's MA eligibility determination is AFFIRMED. It is SO ORDERED.

/s/ _____
Kevin Scully
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: August 24, 2010

Date Mailed: August 25, 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.

2010-38333/KS

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.

KS/vc

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