

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: 2010-43225  
Issue No: 2026  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
September 9, 2010  
Calhoun County DHS

ADMINISTRATIVE LAW JUDGE: Janice Spodarek

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 claimant's request for a hearing. After due notice, a telephone hearing was held on 9/9/2010.

ISSUE

Did the Department of Human Services (DHS) properly process claimant's bills to a spend-down case?

FINDINGS OF FACT

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

(1) At all relevant times applicable to the facts herein, claimant is a welfare recipient of a Medicaid spend-down case with the Michigan DHS. Claimant's spend-down is \$911.

(2) Claimant transferred from Wayne County. At the time that claimant was in Wayne County, the county was not on the Bridges system.

(3) The Bridges system requires a strict reading of the policy with regards to the application of old and current bills. This policy requires that the oldest bills must go to the oldest month available.

(4) Claimant always met his spend-down in Wayne County.

(5) Claimant's spend-down was not met for the month of April, 2010. Claimant requested a hearing for review for this month as well as other months.

(6) The department presented evidence of claimant's bills as submitted showing that claimant's eligibility for March 16, 2010 to the end of the month; April 2010 no eligibility; and May 14, 2010 to May 31, 2010 was correct. Claimant did not bring in contrary evidence or bills to show that he would be eligible for anything different.

(7) The department agreed to give claimant a copy of BEM Item 545 for claimant's assistance in reviewing the application of the spend-down policy with regards to application of current and old bills to varying months.

(8) Claimant requested a hearing on 4/26/2010. Claimant understands that he could request a hearing for each month as a spend-down case is a month-to-month assessment.

#### 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 Program Administrative

Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Applicable policy and procedure to the case herein is found in BEM Item 545. This policy is quite confusing at times as the application of bills can be old, current, and applied to current, old, and future processing months.

As stated in the Findings of Facts, prior to Bridges the department had some flexibility with regards to the application of the bills to trigger eligibility and meeting the spend-down. However, under no circumstances was this application prior to Bridges done to give an individual credit for a bill for more than one month. However, Bridges requires a strict and literal reading of the policy which requires the application of the oldest bill to the oldest month available. All bills presented within three months of the verification date must be treated as current and applied accordingly.

The department submitted substantial and credible evidence that it correctly applied the spend-down policy under BEM Item 545 to the months of March, April and May, 2010. Claimant indicated that he had other bills which he did not bring to the hearing. As such, this ALJ must make a ruling based upon the evidence presented at the Administrative Hearing. The evidence at the Administrative Hearing supports that the department correctly applied the income eligibility spend-down or deductible policy as laid out in BEM Item 545 to claimant's spend-down. As such, the department's actions must be upheld.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department's actions were correct.

Accordingly, the department's actions are hereby UPHELD.

/s/ \_\_\_\_\_  
Janice Spodarek  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: September 10, 2010

Date Mailed: September 13, 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 mailing date of the rehearing decision.

JS/vc

cc:

