

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. 201044041
Issue No. 2014
Case No. [REDACTED]
Load No. [REDACTED]
Hearing Date: October 26, 2010
Macomb County DHS

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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 Tuesday, October 26, 2010. The claimant personally appeared and testified on her own behalf with her interpreter, [REDACTED], the claimant's daughter.

ISSUE

Did the department properly determine that the claimant was not eligible for MA Healthy Kids coverage due to excess income?

FINDINGS OF FACT

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

1. The claimant's household was a recipient of MA Healthy Kids coverage with a redetermination required.
2. On March 25, 2010, the department caseworker determined that the claimant's income was [REDACTED] and the claimant's husband's income was [REDACTED] per month. (Department Exhibit 2)

3. On March 25, 2010, the department caseworker calculated the claimant's eligibility for MA Healthy Kids coverage:
 - The child's prorated income was [REDACTED].
 - The father's prorated income was [REDACTED].
 - The mother's prorated income was [REDACTED].
 - The total net income of [REDACTED] from the father's and child's share of the father's income of [REDACTED] plus the mother's and child's share of the mother's income of [REDACTED] and the couple's share of each other's income of [REDACTED].
 - The household composition of the family is 3.
 - The income limit for a family size of 3 to be income eligible for MA Healthy Kids coverage is [REDACTED].
 - The claimant's household failed the income test because their total net income of [REDACTED] exceeded the income limit of [REDACTED] by [REDACTED].
4. On March 25, 2010, the department caseworker sent the claimant a denial letter for MA Healthy Kids coverage and a referral for My Child. (Department Exhibit 3)
5. On April 20, 2010, the department received a hearing request from the claimant, contesting the department's negative action.
6. During the hearing, the claimant stated that their income changes monthly significantly, but the changes were not reported to the department caseworker.
7. During the hearing, the department caseworker stated that the claimant's case was closed and she would need to reapply and verify the household income monthly.

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).

The department's program eligibility manuals provide the following policy statements and instructions for caseworkers:

DEPARTMENT POLICY MA Only

Other Healthy Kids (OHK) is a FIP-related Group 1 MA category. MA is available to a person who is under age 19 when net income does not exceed 150% of the poverty level. A person age 16-18 years old with net income between 101-150% of the poverty level is a Healthy Kids Expansion (HKE) recipient.

All eligibility factors must be met in the calendar month being tested. However, only certain eligibility factors apply before redetermination. If the month being tested is an L/H month and eligibility exists, go to BEM 546 to determine the post-eligibility patient-pay amount. BEM 131, p. 1.

Income Eligibility

Income eligibility exists when net income does not exceed 150% of the poverty level. The income limit is in RFT 246.

Apply MA policies in BEM 500, 531, and 536 to determine net income.

A individual whose income exceeds 150% of the poverty level may be eligible for MICHild. See BEM 531 for information regarding the referral process. BEM 131, p. 2.

In the instant case, the claimant was receiving MA Healthy Kids coverage because they were income eligible. At redetermination, the claimant had excess income and failed the income eligibility test by [REDACTED]. During the hearing, the claimant stated that their income changes significantly monthly, but did not report the changes in income to the department caseworker. The claimant's case has been closed since March 25, 2010. The claimant needs to reapply for benefits if she is income eligible below the monthly income limit of [REDACTED].

Therefore, the Administrative Law Judge finds that the department has established that it was acting in compliance with department policy when a determination was made that the claimant had excess income for purposes of MA Healthy Kids coverage.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department correctly denied the claimant's MA Healthy Kids benefits because the claimant had excess income.

Accordingly, the department's decision is **AFFIRMED**.

/s/ _____
Carmen G. Fahie
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: January 3, 2011

Date Mailed: January 3, 2011

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.

CGF / vc

cc:

