

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.: 2010-45575  
Issue No.: 2000  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: December 1, 2010  
DHS County: Wayne (17)

**ADMINISTRATIVE LAW JUDGE:** Jan Leventer

**HEARING DECISION**

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

**ISSUE**

Whether DHS properly calculated Claimant's Medical Assistance (MA or Medicaid) patient pay amount (spend-down or co-pay)?

**FINDINGS OF FACT**

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

1. In January 2010, Claimant, based on her income, was awarded MA with a spend-down payment of \$724 per month.
2. On or about April 23, 2010, Claimant's earned income ceased and she began receiving pension income.
3. On May 11, 2010, Claimant filed a notice of hearing request with DHS.
4. On or about October 2010, Claimant ceased receiving child support income for her two grown children.

5. DHS has agreed to recalculate Claimant's spend-down for every month in 2010 beginning in January to reflect every change that has occurred in Claimant's income in 2010.
6. As a result of DHS' willingness to recalculate her monthly spend-downs, Claimant agreed to settle her current dispute and stated at the hearing that she no longer wished to continue with the administrative hearing process.

### **CONCLUSIONS OF LAW**

MA was established by Title XIX of the U.S. Social Security Act and is implemented by Title 42 of the Code of Federal Regulations. DHS administers the MA program pursuant to MCL 400.10 *et seq.*, and MCL 400.105. DHS' policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM). These manuals are available online at [www.michigan.gov/dhs-manuals](http://www.michigan.gov/dhs-manuals).

Under BAM Item 600, clients have the right to contest any DHS decision affecting eligibility or benefit levels whenever they believe the decision is illegal. DHS provides an Administrative Hearing to review the decision and determine if it is appropriate. DHS policy includes procedures to meet the minimal requirements for a fair hearing. Efforts to clarify and resolve the client's concerns start when DHS receives a hearing request and continue through the day of the hearing.


On the record at the hearing, the parties agreed to settle the disagreement by DHS acting to recalculate Claimant's spend-downs for each month of 2010 beginning in January 2010 to reflect the changes in her earned income, child support and pension benefits. As the parties have resolved the matter, it is not necessary for the Administrative Law Judge to adjudicate the issue.

Accordingly, in light of the settlement agreement of the parties, IT IS ORDERED that DHS shall recalculate Claimant's spend-down requirement for every month in the year 2010 to reflect all changes in Claimant's income during the year, and in accordance with DHS policy and procedures.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, and pursuant to the settlement agreement of the parties hereto, decides IT IS ORDERED that DHS shall recalculate Claimant's MA spend-down payment for every month in the year 2010, taking into account all changes in earned and unearned income during that time.

IT IS ORDERED that DHS shall conduct the recalculation process in accordance with all DHS policies and procedures.

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

Date Signed: December 2, 2010

Date Mailed: December 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:

