

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: 201056061
Issue No: 2026, 3000
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
October 28, 2010
Bay County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on October 28, 2010. Claimant's authorized hearing representative, [REDACTED] appeared and testified. During the hearing [REDACTED] stated there were no Food Assistance Program (FAP) issues that need to be resolved.

ISSUE

Did the Department of Human Services properly determine Claimant's Medical Assistance (MA) as a \$267 deductible 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) Claimant was an ongoing recipient of Medical Assistance (MA) and Food Assistance Program (FAP) benefits. Claimant's benefit group consisted of herself, her significant other [REDACTED], and their daughter.
- (2) On August 3, 2010 Claimant submitted required documents and verification to re-determine benefit eligibility.
- (3) On August 28, 2010 the re-determination was processed. The Department case worker discovered that [REDACTED] income was received on a weekly basis and that prior to the re-determination his

income had been entered as bi-weekly. When [REDACTED] income was correctly calculated it caused Food Assistance Program (FAP) benefits for the group to be reduced and for Claimant to be put on a \$267 deductible Medical Assistance (MA) case. Claimant was sent a Notice of Case Action (DHS-1605) describing the changes.

- (4) On September 8, 2010 Claimant submitted a timely request for hearing. Claimant also identified [REDACTED] as her authorized hearing representative.

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) and the Program Reference Manual (PRM).

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. Medicaid is also known as Medical Assistance (MA). BEM 105.

The State of Michigan has set guidelines for income, which determine if an MA group is eligible. Income eligibility exists for the calendar month tested when:

- . There is no excess income, **or**
- . Allowable medical expenses equal or exceed the excess income (under the Deductible Guidelines). BEM 545.

Net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. BEM 105. Income eligibility exists when net income does **not** exceed the Group 2 needs in BEM 544. The protected income level is a set allowance for non-medical need items such as shelter, food and incidental expenses. RFT 240 lists the Group 2 MA protected income levels based on shelter area and fiscal group size. An eligible Medical Assistance group (Group 2 MA) has income the same as or less than the "protected income level" as set forth in the policy contained in the Program Reference Table (PRT). An individual or MA group whose income is in excess of the monthly protected income level is ineligible to receive MA. However, a MA group may become eligible for assistance under the deductible program. The deductible program is a process, which allows a client with excess income to be eligible for MA, if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount

for the calendar month. The MA group must report expenses by the last day of the third month following the month it wants medical coverage.

In this case I have manually calculated Claimant's Medical Assistance (MA) eligibility in accordance with Department policies. Claimant has a net income of [REDACTED] and a protected income level of [REDACTED]. That means Claimant is eligible for a \$267 deductible case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services properly determined Claimant's Medical Assistance (MA) as a \$267 deductible case.

It is ORDERED that the actions of the Department of Human Services, in this matter, are UPHeld.

/s/ _____
Gary F. Heisler
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: November 1, 2010

Date Mailed: November 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.

GFH/vc

cc:

[REDACTED]