

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.: 2010-7777

Issue No.: 2014,2021

Case No.: [REDACTED]

Load No.: [REDACTED]

Hearing Date:

March 25, 2010

Macomb County DHS

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

DECISION AND ORDER

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 March 25, 2010. The Claimant appeared at the hearing and testified. [REDACTED]

[REDACTED] Case Manager, appeared on behalf of the Department.

ISSUE

Was the Department correct in determining Claimant's Healthy Kids and MA Group 2 Under 21 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) Claimant applied for MA benefits for her son under the Healthy Kids program and under the Group 2- Under 21 program.
- (2) Claimant has \$3870 gross monthly employment income.
- (3) Claimant has a retirement account worth \$33,684.23.

- (4) Claimant's MA application under Healthy Kids was denied due to excess income, under Group 2-Under 21 program the application was denied for excess assets.
- (5) Claimant requested a hearing on November 12, 2009 contesting the denial of MA benefits. Claimant's hearing request stated "cash, child care, Medicaid, food assist" but Claimant stated at hearing that she only wished to address the Medicaid issues.

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 (formerly known as the Family Independence Agency) 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 Medical Assistance program was designed to assist needy persons with medical expenses. The State of Michigan has set guidelines for income, which determines if a MA group falls within the needy classification. Under BEM Items 544 and 545, an eligible Medical Assistance group (Group II MA) has income the same as or less than the "protected income level" plus medical insurance premiums as set forth in the policy contained in the program reference table. 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. A deductible 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. BEM 545; 42 CFR 435.831.) 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. BEM 131 Group 2 Under 21(G2U) Medicaid program has a \$3,000 asset limitation. BEM 400

Retirement Plan Value FIP, SDA, LIF, G2U, G2C, SSI-Related MA and AMP

The value of these plans is the amount of money the person can currently withdraw from the plan. Deduct any early withdrawal penalty, but not the amount of any taxes due.

Funds in a plan are **not** available if the person must quit his job to withdraw any money. BEM 400.

In the present case, Claimant has \$3,870 per month employment income. The income limit based on the poverty guidelines for a two person household for the Healthy Kids program is \$1822. RFT 246. Claimant has retirement account with a value of \$33,648. The asset limitation for the Medicaid Group 2-Under 21 program is \$3,000. BEM 400. The Department's determination that Claimant has excess income for Healthy Kids and excess assets for Medicaid Group 2-Under 21 program is correct.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department properly determined that the Claimant was not eligible for Healthy Kids due to excess income and was not eligible for Group 2-under 21 Medicaid due to excess assets.

Accordingly, the Department's determinations are **AFFIRMED**.



Aaron McClintic
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: March 31, 2010

Date Mailed: March 31, 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.

AM/ hw

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