

STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED] Reg.  
[REDACTED] Issue

No: 201130822  
No: 2026  
Case No: [REDACTED]  
Hearing Date:  
May 26, 2011  
County-36

Macomb

**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

**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 May 26, 2011. The Claimant appeared and testified. Claimant's son, [REDACTED] served as translator. T [REDACTED] ES and [REDACTED] ES appeared on behalf of the Department.

**ISSUE**

Is the Department correct in determining Claimant's MA eligibility?

**FINDINGS OF FACT**

- (1) Claimant was a TMA-Medicaid recipient.
- (2) After the Claimant's TMA-Medicaid eligibility ended and an annual review was completed, the Department determined that Claimant had Group 2-Medicaid with a \$180 deductible.
- (3) Claimant's wife has \$1075 per month gross employment income.
- (4) Claimant requested a hearing on April 13, 2011 contesting the change in Medicaid coverage and the amount of the deductible.

### **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 (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.

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.)

#### **Deadlines for Requesting a Hearing All Programs**

The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing.

The request must be received anywhere in DHS within the 90 days. BAM 600

In the present case, Claimant is contesting the deductible amount for his MA benefits. Claimant's wife earns \$1075 gross employment income. After prorating the employment income and subtracting deductions Claimant's net income is \$721. Claimant's net income \$721 exceeds the monthly protected income level of \$541 by \$180 per month. Claimant is consequently ineligible to receive Medical Assistance. However under the deductible program, if the Claimant incurs medical expenses in excess of \$180 during the month he may then be eligible for Medical Assistance. This ALJ finds that the Department has acted in

accordance with Department policy and law in denying ongoing Medical assistance and determining his deductible amount. Claimant raised issues with regard to his health problems and how they affect his ability to work. It was explained that these issues were not relevant to the determination made by the Department. Claimant raised issues with regard to the reasons why he was switched to Transitional Medicaid prior to being switched to Group 2 Medicaid. It was explained at hearing that the issues related to the switch to Transitional Medicaid could not be addressed because they occurred more than 90 days prior to the request for hearing and thus were not raised in a timely manner. BAM 600.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department was correct in the determination of MA benefits, and it is ORDERED that the Department's decision in this regard be and is hereby AFFIRMED.



Aaron  
Administrative  
For  
Department

McClintic  
Law Judge  
Maura Corrigan, Director  
of Human Services

Date Signed: June 1, 2011

Date Mailed: June 1, 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 receipt 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

cc:



