

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

IN THE MATTER OF:

[REDACTED]

Reg. No. 2011-36233
Issue No. 2019
Case No. [REDACTED]
Hearing Date: July 28, 2011
Wayne (15)

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, which govern the administrative hearing and appeal process, and Claimant's request for a hearing. After due notice, a telephone hearing was held in Detroit, Michigan on July 28, 2011. The Claimant appeared and testified. [REDACTED] Eligibility Specialist, 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 (PPA, spend-down, or deductible)?

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, finds as fact:

1. Claimant is a single individual living in Wayne County.
2. Prior to October 1, 2010, DHS provided Claimant with MA benefits without the requirement of a deductible.
3. On October 1, 2010, Claimant began receiving \$1,535.40 monthly Retirement, Survivors and Disability Insurance (RSDI) benefits from the U.S. Social Security Administration.
4. On April 25, 2011, DHS issued a Notice of Case Action requiring Claimant to pay a PPA of \$1,168 in order to receive MA coverage.

5. On May 23, 2011, Claimant filed a Request for a Hearing with DHS.

CONCLUSIONS OF LAW

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

BAM, BEM and RFT are the administrative manuals containing the policies and procedures DHS officially created for its own use. While the manuals are not laws created by the U.S. Congress or the Michigan Legislature, they constitute legal authority which DHS must follow. It is to these manuals that I look now, in order to see what policy applies in this case. After setting forth what the applicable policies are, I will examine whether they were in fact followed in this case.

The first item applicable in this case is BEM 541, "MA Income Deductions – SSI-Related Adults." This section gives a \$20 unearned income deductible to the Claimant and reduces her countable income for purposes of setting her PPA amount. I reviewed the DHS Budget prepared in this case, and I find and conclude that DHS properly included the \$20 unearned income deduction in calculating Claimant's MA and PPA.

I turn next to BEM 544, "MA Needs – Group 2." This item provides a deduction for living expenses (Protected Income Level) from the client's gross income. BEM 544 provides the instructions for calculating the Claimant's Protected Income Level, and identifies two charts in the Reference Tables with the information that is necessary to make the calculation.

Going to the RFT, I first determine from RFT 200, "MA Shelter Areas," that as Claimant lives in Wayne County, she falls within Shelter Area IV. Then, taking this information over to RFT 240, "MA Monthly Protected Income Levels," on this chart I find that Shelter Area IV Claimants with a family group of one person are entitled to a Protected Income Level of \$375. Returning now to the Budget DHS prepared for Claimant, I find and determine that DHS provided Claimant with the \$375 Protected Income Level deduction as required by law.

In conclusion, based on the findings of fact and conclusions of law above, I find and determine that DHS used the proper income numbers, deductions and formulas, and arrived at the correct Patient Pay Amount in Claimant's case. I find that DHS acted correctly in this case and DHS is AF FIRMED. I find and conclude that it is not necessary for DHS to take any further action in this case.

DECISION AND ORDER

Based on my findings of fact and conclusions of law above, I find and determine that DHS is AF FIRMED in this matter. IT IS ORDERED that DHS need take no further action in this case.



Jan Leventer
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: July 29, 2011

Date Mailed: July 29, 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.

JL/cl

cc:

