

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2011-41991  
Issue No.: 2026  
Case No.: [REDACTED]  
Hearing Date: August 31, 2011  
Oakland County DHS (03)

**ADMINISTRATIVE LAW JUDGE:** Colleen M. Mamelka

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge upon Claimant's request for a hearing made pursuant to MCL 400.9 and MCL 400.37, which govern the administrative hearing and appeal process. After due notice, a telephone hearing was conducted from Detroit, Michigan on Wednesday, August 31, 2011. The Claimant appeared, along with [REDACTED] and testified. [REDACTED] appeared on behalf of the Department of Human Services ("Department").

**ISSUE**

Whether the Department properly determined the Claimant's Medical Assistance ("MA") deductible?

**FINDINGS OF FACT**

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

1. The Claimant submitted an application for public assistance seeking MA benefits on February 10, 2011.
2. The Claimant receives \$994.00/month in Retirement, Survivor's, Disability Insurance ("RSDI") income benefits. (Exhibit 1, p. 2)
3. The Part B monthly premium of \$115.40 is automatically deducted from the Claimant's RSDI income. (Exhibit 1, p. 3)
4. The Department calculated the Claimant's monthly deductible as \$450.00. (Exhibit 1, p. 7)

5. On February 18, 2011, the Department notified the Claimant of the MA approval and the required deductible amount.
6. On April 1, 2011, the Department received the Claimant's timely written request for hearing. (Exhibit 2)

### **CONCLUSIONS OF LAW**

The Medical Assistance program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations. 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 Bridges Reference Tables ("RFT").

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. BEM 105. The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. BEM 105. MA income eligibility exists for the calendar month tested when there is no excess income or allowable medical expenses that equal or exceed the excess income. BEM 545. The fiscal group's monthly excess income is called a deductible amount. BEM 545. Deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. BEM 545. Each calendar month is a separate deductible period. BEM 545. The group must report expenses by the last day of the third month following the month it seeks MA coverage for. BEM 545. The gross RSDI benefit amount is counted as unearned income. BEM 500.

In this case, the Claimant was found entitled to MA benefits provided the \$450.00 monthly deductible was met. The Claimant agreed with the income figure used in calculating the MA deductible but disagreed with the results. Ultimately, the Department established it acted in accordance with Department policy when it calculated the Claimant's MA budget. Accordingly, the Department's determination is AFFIRMED.

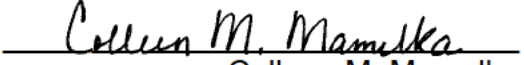
### **DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Department acted in accordance with Department policy when it approved the Claimant's MA case with a monthly deductible.

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Accordingly, it is ORDERED:

The Department's determination is AFFIRMED.

  
Colleen M. Mamelka  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: September 1, 2011

Date Mailed: September 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 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.

CMM/cl

cc:

