

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

IN THE MATTER OF:



Reg. No: 201149607  
Issue No: 2026  
Case No:   
Hearing Date:  
December 6, 2011  
Wayne County DHS (District 49)

ADMINISTRATIVE LAW JUDGE: Suzanne L. Morris

**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 telephone hearing was held on December 6, 2011. The claimant did not appear, but was represented by .

**ISSUE**

Did the department properly place the claimant on a MA 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. The claimant applied for MA and retro MA (back to November, 2010) on February 25, 2011.
2. The claimant submitted hospital bills to meet the deductible for November, 2010, but the department had not placed the coverage on when the hearing request was filed.
3. The claimant's representative submitted a hearing request on August 5, 2011.

**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).

Department policy states:

## **MA GROUP 2 INCOME ELIGIBILITY**

### **Deductible**

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.

### **Active Deductible**

Open an MA case **without ongoing Group 2 MA coverage** on CIMS as long as:

- . The fiscal group has excess income, **and**
- . At least one fiscal group member meets all other Group 2 MA eligibility factors.

Such cases are called active deductible cases. Periods of MA coverage are added on CIMS each time the group meets it deductible.

### **Deductible Period**

Each calendar month is a separate spend-down period.

### **Deductible Amount**

The fiscal group's monthly excess income is called a deductible amount. BEM 545, pp. 8-9.

### **Meeting a Deductible**

Meeting a deductible means reporting and verifying allowable medical expenses (defined in "**EXHIBIT I**") that equal or exceed the deductible amount for the calendar month tested. BEM, Item 545, p. 9.

The group must report expenses by the last day of the third month following the month for which it wants MA coverage. BAM 130 explains verification and timeliness standards. BEM, Item 545. p. 9.

The claimant's representative submitted a hearing request to prompt the department to enter coverage for MA for the month of November, 2010. The claimant submitted an

MA application on February 25, 2011, requesting retro MA coverage back to November, 2010.

The department does not dispute that the claimant was eligible for deductible MA coverage, including November, 2010. The department testified that they have entered the coverage on Bridges and submitted a DHS-1038 (Request for Exception to the Twelve-Month Billing Limitation for Medical Services) to allow for payment of the eligible, incurred expenses which fell outside the 12-month period. The claimant's representative indicated that the hearing request was satisfied if the claimant had the MA deductible coverage back to November, 2010 and the bill had been entered into Bridges and used to meet claimant's deductible for November, 2010.

MCL 24.278(2) provides a disposition may be made of a contested case by stipulation or agreed settlement. In this case, the department and representative agree on the actions that have been or should be taken.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department shall take the actions as agreed upon in the hearing.

Thus, the department shall ensure the claimant's MA coverage for November, 2010 is active and that her bills from November, 2010 were applied to her MA deductible for that month. SO ORDERED.

/s/ \_\_\_\_\_  
Suzanne L. Morris  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: December 7, 2011

Date Mailed: December 7, 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.

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SLM/db

cc:

