

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: 2011-11351
Issue No.: 2013
Case No.: [REDACTED]
Hearing Date: February 16, 2010
Wayne County DHS (57)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 February 16, 2010. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS properly determined Claimant's eligibility for Medical Assistance (MA) benefits as Medicaid subject to a \$104/month deductible effective 12/2010.

FINDINGS OF FACT

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

1. Claimant was an ongoing Medicaid recipient through 11/2010.
2. Claimant lives in a household with a minor child.
3. Claimant received \$324/two weeks in gross countable unemployment compensation (see Exhibit 1).
4. Claimant's child receives \$338.83/month in child support (see Exhibit 2).
5. DHS determined that Claimant is ineligible for MA benefits effective 12/2010 through Low Income Family (LIF) (see Exhibit 3).

6. DHS determined that Claimant is eligible for MA benefits through Group 2 Caretaker (G2C) for Medicaid subject to a \$106/month deductible (see Exhibit 4) effective 12/2010.
7. On 12/2/10, Claimant requested a hearing disputing the determination that she is only eligible for Medicaid subject to a 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 Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

A recipient with excess income for ongoing Medicaid may still be eligible for Medicaid under the deductible program. Clients with a Medicaid deductible may receive Medicaid 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. BEM 545 at 9. The client must report medical expenses by the last day of the third month following the month in which the group wants MA coverage. *Id.*

The Medicaid program is comprised of several sub-programs which fall under one of two categories; one category is FIP-related and the second category is SSI-related. BEM 105 at 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant, women receive MA under FIP-related categories. *Id.*

The only category relevant in the present case is FIP-related MA. Two potential FIP-Related MA programs in which Claimant could be eligible are Low Income Family (LIF) and Group Two Caretaker (G2C).

Claimant verified bi-weekly gross UC income of \$374 (see Exhibit 1). For all programs, \$50/two weeks of UC income is disregarded as payment from the American Recovery and Reinvestment Act. BPB 2010-008. For MA benefits, if prospecting income based on bi-weekly or twice a month payments, the income is multiplied by two to convert to a monthly amount. BEM 530 at 3. Claimant's income for purposes of MA benefits is found to be \$648/month.

Claimant testified that her child received \$338.83/month in support (see Exhibit 2). DHS determined Claimant's LIF eligibility using a lower figure of \$225.89. For purposes of this decision, the undersigned will use the amount DHS used as it was the more favorable amount for Claimant.

LIF eligibility is determined by adding the countable UC (\$648) and the child support (\$225.89). For LIF eligibility, the total countable group income is \$873 (dropping cents).

LIF eligibility exists when the LIF group's monthly income does not exceed the LIF income limit. The monthly net income limit for a two person (Claimant and her minor child) LIF group is \$413/month. Claimant's net income (\$873) exceeds the income limits for LIF eligibility. It is found that DHS properly denied LIF benefits to Claimant.

Though not eligible for LIF benefits, Claimant can still receive Medicaid through G2C. Income calculations for all Group 2 MA categories are located within BEM 536. The net income calculation starts with Claimant's gross monthly income which is \$648. This figure is divided by the sum of 2.9 and Claimant's number of dependents (one for Claimant's minor child). Dividing \$648 by 3.9 creates a prorated share of income of \$166. That number is multiplied by 2.9 to create Claimant's total net income of \$481. The income limit for G2C eligibility is \$375. RFT 240. The amount that Claimant's total net income exceeds the income limit (\$375) is the amount of Claimant's deductible. It is found that Claimant is entitled to Medicaid subject to a monthly \$106/month deductible. This is the same determination made by DHS (see Exhibit 4). Accordingly, it is found that DHS properly calculated Claimant's G2C eligibility as Medicaid subject to a \$106/month deductible.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly determined Claimant's MA benefit eligibility effective 12/2010 as Medicaid subject to a \$106/month deductible.

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The actions taken by DHS are AFFIRMED.

Christian Gardocki

Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 2/23/2011

Date Mailed: 2/23/2011

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.

CG/jlg

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