

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2011-15122
Issue No.: 2000/2021
Case No.: [REDACTED]
Hearing Date: February 17, 2011
Oakland County DHS (03)

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 17, 2011. The claimant appeared and testified; [REDACTED] and [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, and [REDACTED], Manager, appeared and testified.

ISSUES

1. Whether Claimant is entitled to an administrative decision reviewing a DHS determination that had not yet occurred at the time of Claimant's hearing request.
2. Whether DHS properly denied Claimant's application dated 11/9/10 requesting Medical Assistance (MA) benefits due to excess property by Claimant.

FINDINGS OF FACT

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

1. On an unspecified date in 2/2010, DHS denied Claimant MA benefits due to excess assets.
2. Claimant reapplied for MA benefits on 11/9/10.
3. In the Assistance Application dated 11/9/10, Claimant's assets were substantially reduced from the previously submitted application.

4. On an unspecified date, DHS denied Claimant's application dated 11/9/10 on the basis that Claimant had excess assets for MA benefits (see Exhibit 1).
5. The DHS denial relied on information from Claimant's application dated 2/2010.
6. On 12/7/10, Claimant requested a hearing disputing the denial of MA benefits from the application dated 11/9/10.
7. Claimant reapplied for MA benefits on 1/5/11 and was subsequently approved for Medicaid subject to a monthly deductible.
8. Claimant also wants to dispute the DHS determination that Claimant is entitled to Medicaid subject to a monthly 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 first issue to determine is whether Claimant is entitled to an administrative decision concerning the DHS determination that Claimant is eligible for Medicaid subject to a deductible.

All clients have the right to request a hearing. BAM 600 at 1. The circumstances in which a hearing may be granted are: denial of an application and/or supplemental

payments, reduction in the amount of program benefits or service, suspension or termination of program benefits or service restrictions under which benefits or services are provided or delay of any action beyond standards of promptness. BAM 600 at 3.

In the present case, Claimant requested a hearing on 12/7/10 objecting to a denial of an application submitted on 11/9/10; that issue will be addressed below. Claimant also testified that she is disputing a 1/2011 DHS determination finding Claimant eligible for MA benefits subject to a monthly deductible.

Claimant's hearing request frames the issues for administrative hearing. It serves as notice to DHS as to what issues are being disputed. Claimant is not entitled to add issues to the hearing request. To allow Claimant to do so would deprive DHS an opportunity to properly respond to Claimant's issues and to prepare their side of the case. Clients may always submit multiple hearing requests to dispute multiple DHS actions but may not use a previously submitted hearing request to dispute a subsequent DHS action. It is found that Claimant is not entitled to administrative determination of the 1/2011 DHS determination because Claimant failed to properly request a hearing for this issue. As stated at the hearing, Claimant may request another hearing to dispute this issue. It is not disputed that Claimant properly requested a hearing to dispute the DHS denial of Claimant's application dated 11/9/10.

All types of assets are considered for SSI-related MA categories. BEM 400 at 2. For MA benefits, asset eligibility exists when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. *Id.* at 4.

DHS denied Claimant's application dated 11/9/10 due to Claimant's allegedly excess assets (see Exhibit 1). DHS based their denial of Claimant's 11/9/10 application by relying on information reported in Claimant's application from 2/2010. DHS completely ignored Claimant's reported assets for 11/2010. The reliance by DHS on nine month old information is completely unsupported by DHS regulations. It is found that DHS improperly denied Claimant's application dated 11/9/10.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant failed to establish jurisdiction to dispute the 1/2011 DHS determination finding Claimant eligible for Medicaid subject to a monthly deductible. For purposes of this issue, Claimant's hearing request is PARTIALLY DISMISSED.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application dated 11/9/10 for MA benefits. It is ordered that DHS reinstate Claimant's application and that it be

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processed in accordance with DHS regulations. The actions taken by DHS are PARTIALLY REVERSED.

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.

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