

**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.: 2011-16649  
Issue No.: 2026  
Case No.: [REDACTED]  
Hearing Date: February 24, 2011  
Oakland County DHS (02)

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

**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 conducted from Detroit, Michigan on Thursday, February 24, 2011. The Claimant appeared and testified. [REDACTED] and [REDACTED] appeared on behalf of the Department.

**ISSUE**

Whether the Department properly terminated the Claimant's Medical Assistance (MA AD care) benefits?

**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 is a MA recipient.
2. The Claimant receives \$1,067.00/month in Retirement Survivor Disability Insurance Income benefits.
3. On October 1, 2010, the Department notified the Claimant that due to excess income, she no longer was eligible for AD care benefits but was eligible for MA benefits with a \$639.00/month deductible.
4. On December 22, 2010, the Department received the Claimant's timely written request for hearing.

### **CONCLUSIONS OF LAW**

The Medical Assistance (MA) program is established by the 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 Program Reference Manual (PRM).

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 Medicaid is also known as Medical Assistance ("MA"). BEM 105 The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. BEM 105 AD-Care MA is an SSI-related Group 1 category. BEM 163 This category is available to persons who are aged or disabled ("AD") and whose net income does not exceed 100% of the poverty level. BEM 163 All eligibility factors must be met in the calendar month tested. BEM 163 Income eligibility exists when net income does not exceed the income limit in the Reference Table Manual ("RFT"). BEM 163 Countable RSDI for fiscal group members is the gross amount for the month being tested. BEM 163 In October 2010, the income limit for AD-Care was (is) \$903.00. RFT 242

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

In this case, the Claimant previously had MA coverage under the AD-care program. During redetermination, the Department correctly included the Claimant's RSDI income of \$1,067/month when it determined the Claimant's continued eligibility. The income limits under the AD-Care program was (is) \$903.00. The Claimant's income exceeds the AD-Care income limits thus the Department properly determined that the Claimant was no longer eligible under that particular program. Further, the Department accurately determined that the Claimant was eligible for MA benefits provided a \$639.00 monthly deductible was met. Ultimately, the Department established it acted in accordance with Department policy when it notified the Claimant she was no longer eligible for benefits under the AD-Care program but was eligible for MA benefits provided the deductible was met. 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 established it acted in accordance with department policy when it determined the Claimant's MA eligibility.

Accordingly, it is ORDERED:

The Department's determination is AFFIRMED.

*Colleen M. Mamelka*

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

Date Signed: 3/3/2011

Date Mailed: 3/3/2011

**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/jlg

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