

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.: 2011-17815  
Issue No.: 2019  
Case No.: [REDACTED]  
Hearing Date: March 9, 2011  
DHS County: Macomb (50-36)

**ADMINISTRATIVE LAW JUDGE:** Jan Leventer

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to Michigan Compiled Laws (MCL) 400.9 and 400.37, and Claimant [REDACTED] request for a hearing. After due notice, a telephone hearing was held on March 9, 2011. Claimant appeared and testified. [REDACTED], Claimant's wife, appeared and testified as a witness for Claimant. [REDACTED] appeared and testified on behalf of the Department of Human Services (DHS).

**ISSUE**

Whether DHS calculated Claimant's Medical Assistance (MA or Medicaid) Patient Pay Amount (PPA, spend-down, or deductible) in accordance with DHS policy and procedure?

**FINDINGS OF FACT**

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

1. From September 1, 2010-January 31, 2011, DHS provided Claimant with MA Group 2 Caretaker (G2C) insurance program benefits and did not require Claimant to pay a monthly spend-down.
2. On January 11, 2011, DHS sent Claimant a Verification Checklist as part of DHS' Redetermination, or updating, procedures.
3. On January 21, 2011, Claimant submitted income information as requested.

4. DHS recalculated Claimant's G2C benefits based on the new information and determined that Claimant must now pay a spend-down of \$313 per month.
5. DHS correctly calculated the amount of Claimant's spend-down.
6. On January 21, 2011, Claimant filed a hearing request notice with DHS.

### **CONCLUSIONS OF LAW**

MA was established by Title XIX of the U.S. Social Security Act and is implemented by Title 42 of the Code of Federal Regulations. DHS administers the MA program pursuant to MCL 400.10 *et seq.*, and MCL 400.105. DHS' policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables (RFT). These manuals are available online at [www.michigan.gov/dhs-manuals](http://www.michigan.gov/dhs-manuals).

The administrative manuals are the policies and procedures DHS officially created for its own use. While the manuals are not laws created by the U.S. Congress or the Michigan Legislature, they constitute legal authority which DHS must follow. It is to the manuals that I look now in order to see what policy applies in this case. After setting forth what the applicable policies are, I will examine whether they were in fact followed in this case.

In this case, Claimant testified that the deductible was not calculated incorrectly but that it is so high that Claimant cannot pay his other expenses and meet the spend-down as well. I reviewed the calculations in this case and I can find no error in the calculations. Also, I have reviewed the applicable policy, which is BEM 536, "Determining Budgetable Income – Group 2 FIP-Related MA and Healthy Kids." BEM 536 sets forth a formula for arriving at a countable income for the client. I find that DHS did use this formula. BEM 536 does not provide for deductions for the family's other expenses. Therefore, I must find there is no authority in DHS policies and procedures for reducing a spend-down based on the other expenses of the family group.

In conclusion, based on the findings of fact and conclusions of law above, I find and determine that DHS shall be AFFIRMED in this case. DHS need take no further action in this case.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, states that DHS is AFFIRMED. IT IS ORDERED that DHS need take no further action in this case.



Jan Leventer  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: March 15, 2011

Date Mailed: March 17, 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.

JL/pf

cc:

