

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

IN THE MATTER OF:

[REDACTED]

Reg No.: 2011 24090  
Issue No.: 2018  
Case No.: [REDACTED]  
Hearing Date: April 7, 2011  
Macomb County DHS (36)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

**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 April 7, 2011. The claimant appeared and testified. The Claimant's authorized hearing representative, [REDACTED], also appeared and testified. Alissa West ES and Bernadine Jock, ES appeared on behalf of the Department.

**ISSUE**

Whether the Department properly closed the Claimant's Medical Assistance Spend Down Case.

Whether the Department was required to process an application for Food Assistance for the Claimant based upon the application for Medical Assistance application filed by the Claimant.

**FINDINGS OF FACT**

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

1. The Claimant is a recipient of Medical Assistance and is required to meet a monthly spend down amount of \$1065 in order to be eligible for Medicaid.
2. The Department issued a Notice of Case Action on March 1, 2011, which closed the Claimant's Medical Assistance Case, effective April 1, 2011, because no bills had been submitted for 3 months.

3. The Department had not received any medical expense receipts since October 20, 2010. Receipts filed by the Claimant in October 2010 did not provide a date of service.
4. The Claimant filed an application for Medical Assistance on February 18, 2010. The application did not include a request for Food Assistance.
5. The claimant requested a hearing on March 5, 2011, protesting the closure of his Medical Assistance spend down case and the failure of the Department to process a Food Assistance application. The Department received the hearing request on March 15, 2011.

### 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).

A Claimant who is subject to a medical spend down referred to as a deductible amount may become eligible for Medicaid when the medical expenses incurred exceed the excess income amount. BEM 545, Page 8. Each calendar month is a separate deductible period. A recipient meets a deductible amount by reporting and verifying allowable medical expense that meet or exceed the deductible amount. BEM 545 *id.* A medical expense must be incurred and the services rendered for the expense to be counted. BEM 545 Medical coverage is to be added each time a group meets its expenses.

In the instant case, the Department closed the Claimant's Medical Assistance Case when it did not receive any medical expense submissions that could be processed and did not meet the deductible in a three month period. BEM 545 provides:

If a group has not met its deductible in at least one of the three calendar months before that month **and** none of the members are QMB, SLM or ALM eligible, Bridges will automatically notify the group of closure. *Id.* at page 9.

While the Claimant did submit a medical expense bill sometime in October 2010, the bills submitted were not processed as they bore no date of service. BEM 545 provides that before a medical expense can be used to determine eligibility, the date the expense was incurred must be verified. BEM 545, page 11. Because the date of service could not be verified, the bills could not be applied to the spend down amount as an allowable medical expense.

The Department, based on the evidence presented, established that the Claimant had not submitted any verifiable bills for medical expenses within the three months prior to

closure and had not met his deductible amount during the three month period, and thus correctly closed the Claimant's Medical Assistance Case. The Department's determination, closing the Claimant's Medical Assistance case, is AFFIRMED. The Claimant is urged to reapply for Medical Assistance and to submit any bills as they are incurred.

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

The proofs submitted at the hearing by the Department established that the Claimant's application dated February 28, 2010, which is the only application the Department had in its file, did not request food assistance, and thus the Department was not required to process the application to determine the Claimant's eligibility for Food Assistance Benefits. The Claimant is urged to apply for Food Assistance so that it can be determined whether he is eligible to receive these benefits. The Department was under no obligation to take any action regarding food assistance with regard to the February 28, 2010 application.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department's actions with regard to the closure of the Claimant's Medical Assistance Spend Down case was correct and in accordance with Department policy and is AFFIRMED.

The Administrative Law Judge based the above findings of fact and conclusion of law finds that the Claimant never applied for Food Assistance and thus the Department had no obligation to process the February 28, 2010 application to determine Food Assistance eligibility and its actions are AFFIRMED.



Lynn M. Ferris  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: 05/04/11

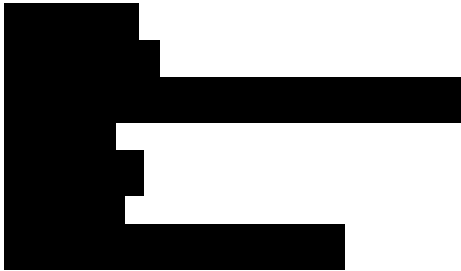
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**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or 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.

LMF/dj

cc:

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