

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2011-31853

Issue No: 3015

[REDACTED]

Livingston County DHS

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing received on April 21, 2010. After due notice, a telephone hearing was held on June 22, 2011. Claimant personally appeared and provided testimony.

ISSUE

Whether the department properly denied Claimant's application for Medical Assistance (MA), Other Healthy Kids (OHK) program?

FINDINGS OF FACT

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

1. Claimant applied for the Medicaid Other Healthy Kids (MA-OHK) program on February 22, 2011. (Hearing Summary).
2. On March 4, 2011, the department mailed Claimant a Notice of Case Action informing her that her application for Medicaid-OHK program was denied due to excess income. The department also mailed Claimant a Verification Checklist and Assistance Application and requested that she complete the Assistance Application and return it along with verification of employment and her social security number by March 14, 2011. (Hearing Summary; Department Exhibit 4).
3. Claimant submitted a hearing request on April 21, 2011, protesting the denial of her MA-OHK benefits. (Request for a Hearing).

## CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1).

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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 (DHS or Department) 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).

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. Medicaid is also known as Medical Assistance (MA). Michigan provides MA for eligible clients under two classifications: Group 1 and Group 2 MA. Claimant falls under the Group 1 SSI-related MA classification, which consists of clients whose eligibility results due to being aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. MCL 400.106; MSA 16.490(16), MCL 400.107; MSA 16.490(17) and BEM 105.

The State of Michigan has set guidelines for income, which determine if an MA group is eligible. Income eligibility exists for the calendar month tested when:

- . There is no excess income, or
- . Allowable medical expenses equal or exceed the excess income (under the Deductible Guidelines).  
BEM 545.

Based on information the department received from Claimant during the Redetermination, the department denied Claimant's MA-OHK for excess income. Claimant did not contest the amount of income. The department explained that Claimant may be eligible for a Medicaid deductible, which is why they mailed her the Assistance Application so they could determine her eligibility for the Medicaid deductible program. Claimant admitted that she received the Assistance Application and Verification Checklist but stated she did not complete and return the application because she did not think that she would qualify.

Clients may qualify under more than one Medicaid category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. BEM 105.

Once the department determined Claimant was not eligible for MA-OHK, it was required to determine if Claimant was eligible for any other Medicaid category. Because Claimant applied for MA-OHK using a DCH-0373 instead of the DHS-1171, the department was unable to determine Claimant's eligibility for any other Medicaid category until Claimant returned the completed DHS-1171, which Claimant admittedly failed to do.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly denied Claimant's application for the Medicaid Other Healthy Kids (MA-OHK) program due to excess income.

Accordingly, the department's decision is AFFIRMED.

It is SO ORDERED.

\_\_\_\_\_/s/\_\_\_\_\_  
Vicki L. Armstrong  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 6/24/11

Date Mailed: 6/24/11

**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 receipt 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.

VLA/ds

