

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 20119912

Issue No: 2026

[REDACTED]

[REDACTED]

Shiawassee County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on December 2, 2010. After due notice, a telephone hearing was held on [REDACTED]. The Claimant was represented during the hearing by his Authorized Hearings Representative from [REDACTED].

**ISSUE**

Whether the Department of Human Services (Department) properly determined the Claimant's Medical Assistance (MA) eligibility?

**FINDINGS OF FACT**

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

1. The Claimant's representative applied for Medical Assistance (MA) on behalf of the Claimant on November 13, 2009, requesting retroactive coverage for August of 2009, September of 2009, and October of 2009.
2. On January 16, 2010, the Department approved the Claimant for Medical Assistance (MA) from August 1, 2009, through November 30, 2009, with a deductible of [REDACTED].
3. On August 30, 2010, the Department received verification of medical bills the Claimant received in November of 2009.
4. On September 7, 2010, the Department determined that it could not count the November of 2009 expenses towards the Claimant's deductible for that month.

5. On December 2, 2010, the Department received a hearing request from the Claimant's representative, protesting the Department's failure to accept the November of 2009 medical bills.

### **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 (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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

Spend-down is a process which allows a customer with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. Open an MA case without ongoing Group 2 MA coverage on CIMS as long as the fiscal group has excess income, and at least one fiscal group member meets all other Group 2 MA eligibility factors. Such cases are called active spend-down cases. Periods of MA coverage are added on CIMS each time the group meets its spend-down. Each calendar month is a separate spend-down period. BEM 545.

Meeting a spend-down means reporting and verifying allowable medical expenses that equal or exceed the spend-down amount for the calendar month tested. The group must report expenses by the last day of the third month following the month it wants MA coverage for. BEM 545.

In this case, the Claimant's representative applied for Medical Assistance (MA) on his behalf on November 13, 2009. The Claimant also requested retroactive coverage for August of 2009, September of 2009, and October of 2009. On January 16, 2010, the Department approved the Claimant for Medical Assistance (MA) from August 1, 2009, through November 30, 2009, with a deductible of \$1,127.

On August 30, 2010, the Department received verification of medical bills for expenses incurred in November of 2009. On September 7, 2010, the Department determined that it could not count the November of 2009 expenses towards the Claimant's deductible for that month.

In this case, the Claimant's medical expenses were not reported to the Department before the last day of the third month following the month that Medical Assistance (MA) was requested. Since medical expenses were not reported for November of 2009, the month that an application was submitted on behalf of the Claimant, the Department cannot apply them to his deductible for that month. The Department has established that it properly determined the Claimant's eligibility for Medical Assistance.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's Medical Assistance (MA) eligibility.

The Department's Medical Assistance (MA) eligibility determination is AFFIRMED. It is SO ORDERED.

/s/ \_\_\_\_\_  
Kevin Scully  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: \_\_5/6/11\_\_\_\_\_

Date Mailed: \_\_5/6/11\_\_\_\_\_

**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 60 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.

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