

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 2012-58096  
Issue No: 2009; 2026

[REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Janice G. Spodarek

**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. After due notice, a telephone hearing was held.

**ISSUES**

1. Did the Department of Human Services (DHS) properly deny claimant's Medical Assistance (MA-P) and State Disability Assistance (SDA) application?
2. Did the Department of Human Services (DHS) properly calculate claimant's caretaker relative MA deductible?

**FINDINGS OF FACT**

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

1. On [REDACTED] claimant applied for Medical Assistance based on disability with the Michigan DHS.
2. Claimant is a current recipient of caretaker relative Group 2 MA and currently has a \$548 month deductible. The department testified that even if claimant prevails on the MA-P (MA-Disability), claimant's deductible will remain the same.
3. On [REDACTED], the MRT denied the MA-P.
4. On [REDACTED] the DHS issued notice.
5. On [REDACTED] claimant filed a hearing request.
6. On [REDACTED] the State Hearing Review Team (SHRT) denied claimant.

7. In [REDACTED] Claimant was denied SSI by the Social Security Administration (SSA). Claimant has had a final determination by SSA. None of the exceptions apply.
8. The [REDACTED] SHRT decision is adopted and incorporated by reference herein.
9. In [REDACTED] claimant's husband began receiving RSDI. At that point, claimant was on LIF, but due to the household increase of income, claimant's MA case which Group 2 caretaker relative triggering a \$548 per month deductible. At that point, claimant applied for MA-P.
10. Claimant also disputes the deductible amount. The department submitted an MA budget. Claimant does not dispute the income or deductions used on the budget.
11. Claimant understands that she can have old bills applied to the deductible which may reduce it if certain requirements are meet.

### **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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Relevant federal regulations are found at 42 CFR Part 435. These regulations provide: "An SSA disability determination is binding on an agency until the determination is changed by the SSA." 42 CFR 435.541(a)(b)(i). These regulations further provide: "If the SSA determination is changed, the new determination is also binding on the agency." 42 CFR 435.541(a)(b)(ii).

### **ISSUE #1**

In this case, evidence on the record indicates that claimant received a final determination from SSI on a disability claim in [REDACTED]. Evidence further indicates that claimant did not appeal and has not reapplied. The determination was final. Claimant is alleging the same impairments. None of the exceptions apply.

For these reasons, under the above-cited policy and federal law, this Administrative Law Judge has no jurisdiction to proceed with a substantive review. The department's denial must be upheld with regards to the MA-P application, Issue #1.

As noted above, should the SSA change its determination, then the new determination would also be binding on the DHS.

**ISSUE #2**

Applicable policy and procedure with regards to MA budgeting and the deductible is found in BEM Items 536 through 545.

In this case, claimant was previously on a LIF case and did not have a deductible. However, when claimant's spouse began to receive RSDI income, that changed the countable income in the household. The MA budget shows that the spouse's pro-rated income is \$260; "spouse's share of spouse's own income" is \$1,014. This results in a deductible of \$548.

As noted in the findings of facts, claimant did not dispute the income or deductions used on the MA budget at the administrative hearing. Without question, claimant probably cannot meet all her expenses and meet her deductible. However, this is not a criteria for which an ALJ can change the deductible unless claimant has old medical bills which are allowed and which would reduce claimant's deductible on a month-to-month basis. Claimant indicated that she was familiar with this policy.

As the department correctly followed its policy and procedure in calculating claimant's MA deductible budget, this ALJ must find that the department's actions were correct and upheld under Issue #2.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department's actions were correct on both issues. Accordingly, the department's determination in this matter on both issues is **UPHELD**.

/s/ \_\_\_\_\_  
Janice G. Spodarek  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: [REDACTED]

Date Mailed: [REDACTED]

**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 mailing date of the rehearing decision.

JGS/jk

cc:



MAHS