

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 20129210
Issue No: 2026
Case No: [REDACTED]
Hearing Date: March 6, 2012
Macomb County DHS

ADMINISTRATIVE LAW JUDGE: Christopher S. Saunders

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 March 6, 2012. The claimant appeared and provided testimony as did her authorized representative [REDACTED].

ISSUES

Whether the department properly allocated bills submitted by the claimant for purposes of meeting her deductible for Medical Assistance (MA) benefits?

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 has been a recipient of Medical Assistance (MA) benefits during all times relevant to this hearing.
2. The claimant submitted medical bills in April, May, and June of 2011 to the department.
3. The claimant contends that not all the bills submitted were credited towards her deductible.
4. The claimant filed a request for hearing on September 20, 2011 to protest the department's calculation of bills that had been applied to her deductible.

CONCLUSIONS OF LAW

As a preliminary matter, the claimant had originally indicated on her hearing request that she was requesting a hearing regarding her MA and her Food Assistance Program (FAP) benefits. However, prior to the closure of the hearing record, the claimant stated that the department had adjusted her FAP benefits accordingly and that the action taken by the department has alleviated her need for a hearing regarding her FAP benefits. Accordingly, the portion of the claimant's hearing request pertaining to her FAP benefits is hereby dismissed because the claimant is no longer aggrieved by the department's action with respect to her FAP benefits.

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 affective eligibility for benefit levels whenever it is believed that the decision is incorrect. BAM 600. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

The Medical Assistance (MA) program was established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The department administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. 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).

The State of Michigan has set guidelines for income, which determine if a Medicaid 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.

Net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. BEM 105. Income eligibility exists when net income does not exceed the Group 2 needs in BEM 544. BEM 166. The protected income level is a set allowance for non-medical need items such as shelter, food and incidental expenses. RFT 240 lists the Group 2 Medicaid protected income levels based on shelter area and fiscal group size. BEM 544. An eligible Medicaid group (Group 2 MA) has income the same as or less than the "protected income level" as set forth in the policy contained in the Reference Table (RFT). An individual or Medicaid group whose income is in excess of the monthly protected income level is ineligible to receive Medicaid.

However, a Medicaid group may become eligible for assistance under the deductible program. The deductible program is a process, which allows a client with excess

income to be eligible for Medicaid, if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month. The Medicaid group must report expenses by the last day of the third month following the month it wants medical coverage. BEM 545; 42 CFR 435.831.

In the case at hand, the claimant contends that the department did not properly calculate her monthly medical expenses for the purposes of meeting her deductible for the months of April, May, and June of 2011. AT the hearing, the claimant pointed to specific bills that she had submitted to the department that she did not feel were included in the accounting. It did appear that there were some bills that were submitted by the claimant that were not added by the department. Therefore, the Administrative Law Judge finds that the department did not properly calculate the claimant's medical expenses for the purposes of determining whether or not hr deductible was met.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department did not properly calculate all the bills that were submitted by the claimant for purposes of determining if the claimant's deductible had been met.

Accordingly, the department's actions are **REVERSED**.

It is HEREBY ORDERED that the department shall recalculate the bills submitted by the claimant for the months of April, May, and June of 2011 for the purpose of determining if the claimant had met her deductible for those months and, in turn, if benefits should have been issued.

/s/

Christopher S. Saunders
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: March 8, 2012

Date Mailed: March 9, 2012

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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