

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

IN THE MATTER OF:



Reg. No.: 201226747
Issue No.: 2026
Case No.: [REDACTED]
Hearing Date: May 10, 2012
County: Macomb (20)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on May 10, 2012 from Detroit, Michigan. Participants on behalf of Claimant included the above named claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly applied a medical bill from 12/8/11 toward Claimant's Medicaid deductible for 12/2011.

FINDINGS OF FACT

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

1. Claimant was an ongoing MA benefit recipient.
2. As of 12/2011, Claimant was eligible for Medicaid subject to a \$311/month deductible.
3. On 12/8/11, Claimant's spouse underwent a medical procedure costing \$1250.
4. On 12/28/11, Claimant submitted to DHS a \$311 receipt for the \$1250 medical procedure.
5. DHS subsequently processed issued MA benefits to Claimant beginning 12/9/11.

6. On 1/3/12, Claimant requested a hearing to dispute the DHS failure to issue MA benefits effective 12/8/11.

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). DHS 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).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

In the present case, it was not disputed that for 12/2011, Claimant was eligible for Medicaid subject to a \$311/month deductible. It was also not disputed that Claimant verified a medical expense for an MRI from 12/8/11 for \$1250. Claimant contended that DHS should have been responsible for payment of the \$1250 medical expense but for \$311, the amount of his deductible.


BEM 545 outlines the procedure for processing a medical expense toward a deductible. DHS is to determine the medical group's allowable medical expenses for the month. BEM 545 at 3. If the medical expenses are equal to or more than the remaining excess income, income eligibility exists starting on the day after the day the expenses equaled the excess income or the exact day the expenses exceeded the excess income. *Id.* at 3. However, MA may only be billed for the amount that exceeds the group's liability. *Id.*

The medical bill dated 12/8/11 verified that Claimant's medical expenses exceeded his deductible amount on 12/8/11. Accordingly, 12/8/11 was the date that Claimant should have been eligible for Medicaid, not 12/9/11. As indicated above, MA can only be billed for the amount exceeding the group's liability; this amount would be the difference between the bill and the deductible (\$939).

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly processed Claimant's and his spouse's MA benefit eligibility for 12/2011. It is ordered that DHS approve Claimant for MA benefit eligibility effective 12/8/11.

The actions taken by DHS are REVERSED.


Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 16, 2012

Date Mailed: May 16, 2012

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases).

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
 - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

CG/hw

cc:

