

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

**IN THE MATTER OF:**



Reg. No: 201232922  
Issue No: 2014  
Case No: [REDACTED]  
Hearing Date: April 26, 2012  
Genesee 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 January 20, 2012. After due notice, a 3-way telephone hearing was held on Thursday, April 26, 2012.

**ISSUE**

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

**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 was an ongoing Medical Assistance (MA) recipient .
2. The Claimant submitted a completed Redetermination form on December 1, 2012.
3. The Claimant has a net monthly income of \$2,748.
4. On January 10, 2012, the Department notified the Claimant that her Medical Assistance (MA) would close effective March 1, 2012, due to excess income.
5. The Claimant incurred medical expenses in February of 2012.
6. The Department notified the Claimant notified the Claimant that she has not been eligible to receive Medical Assistance (MA) benefits in February of 2012.

7. The Department received the Claimant's request for a hearing on January 20, 2012, protesting the denial of Medical Assistance (MA) benefits for February of 2012.

### **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).

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

The Claimant was an ongoing recipient of Medical Assistance (MA) under the Healthy Kids category as a group of three. The Claimant submitted a completed Redetermination form on December 1, 2012. Based on the information contained in this Redetermination form, the Department conducted a routine review of the Claimant's eligibility to receive Medical Assistance (MA). The Department determined that the Claimant receives a net monthly income of \$2,748, an amount that the Claimant does not dispute. The income limit for enrollment in the Healthy Kids program is \$2,748, for a group of three.

On January 10, 2012, the Department sent the Claimant notice that her Medical Assistance (MA) would be closed on March 1, 2012, due to excess income. Based on this notice, the Claimant incurred medical expenses during the month of February of 2012, which would have been covered by her Medical Assistance (MA).

However, the Department's notice of case action erroneously indicated that the Claimant was eligible for Medical Assistance (MA) in February of 2012. The Claimant was in fact not eligible for Medical Assistance (MA) in February due to excess income.

According to Department policy, the Michigan Administrative Hearing System (MAHS) may grant a hearing about any of the following:

- Denial of an application and/or supplemental payments.

- Reduction in the amount of program benefits or service.
- Suspension or termination of program benefits or service.
- Restrictions under which benefits or services are provided.
- Delay of any action beyond standards of promptness.
- For FAP only, the current level of benefits or denial of expedited service.

The Claimant does not dispute that she was not eligible for Medical Assistance (MA) due to excess income, but argued that her benefits should be withheld because she had relied on the Department's notice of case action that indicated she was eligible for benefits.

The Claimant has the burden of establishing that she is eligible to receive benefits. Although the Claimant may have incurred medical expenses in reliance on the Department's notice that she was eligible to receive benefits, this faulty notice of eligibility does not fall within the jurisdiction of the Administrative Law Judge. Since this Administrative Law Judge does not have the authority to hear or decide the Claimant's grievance with respect to the faulty notice, the only issue falling under the Jurisdiction of the Michigan Administrative Hearing System (MAHS) is whether the Claimant was ineligible for Medical Assistance (MA) in February of 2012.

Based on the evidence and testimony available during the hearing, the Department has established that it properly determined that the Claimant was not eligible to receive Medical Assistance (MA) under the Healthy Kids category due to excess income.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department properly determined that the Claimant was not eligible for Medical Assistance (MA) under the Healthy Kids category due to excess income.

The Claimant's hearing request is **DISMISSED** with respect to her grievance concerning the Department's issuance of a faulty notice of case action.

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: May 7, 2012

Date Mailed: May 7, 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.

KS/tb

cc:

