

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-10865
Issue Nos.: 2018, 2026
Case No.: [REDACTED]
Hearing Date: April 18, 2013
County: Wayne (82-18)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 April 18, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

1. Did the Department properly close Claimant's Medical Assistance (MA) coverage under the Low-Income Family (LIF) program?
2. Did the Department properly provide Claimant with MA coverage with a monthly \$330 deductible?

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 recipient of MA benefits, receiving full coverage under the LIF program.
2. In connection with her redetermination, Claimant stated that she was married.
3. The Department recalculated Claimant's MA budget to include her husband's employment income.

4. On October 10, 2012, the Department sent Claimant a Notice of Case Action advising her that, effective November 1, 2012, she would receive MA coverage with a monthly \$330 deductible.
5. On October 31, 2012, Claimant filed a hearing request disputing the Department's action.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

The Medical Assistance (MA) program is established by the 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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

Additionally, the Department testified that, after Claimant's husband's income was included in Claimant's MA budget, her income exceeded the income limit under the LIF-MA program. In an October 10, 2012, Notice of Case Action, the Department notified Claimant that, effective November 1, 2012, she would receive MA coverage with a monthly \$330 deductible.

Clients are eligible for full MA coverage when their net income does not exceed applicable Group 2 MA protected income levels (PIL) based on the client's shelter area and fiscal group size. BEM 135 (January 1, 2011), p. 2; BEM 544 (August 1, 2008), p. 1; RFT 240 (July 1, 2007), p. 1. An individual whose income is in excess of the applicable monthly PIL may become eligible for MA assistance under the deductible program, with the deductible equal to the amount that the individual's monthly net income exceeds the applicable PIL. BEM 545 (July 1, 2011), p. 2. In this case, the monthly PIL for an MA group of two (Claimant and her husband) living in Wayne County is \$500 per month. RFT 200 (July 1, 2007), p. 1; RFT 240, p. 1.

The Department provided a copy of the MA budget showing the calculation of Claimant's deductible for November 2012. In determining a client's MA eligibility, the Department must consider the client's income and the client's spouse's income. BEM 211 (November 2012), p. 4; BEM 501 (December 2011), p. 1; see also BEM 530 (October 2012), p. 1. In this case, the Department relied on paystub information submitted by Claimant showing that her husband received gross income of \$606.24 on September 14, 2012, and \$528.80 on September 28, 2012. Based on this information and the fact that there was one minor child in Claimant's home, the Department calculated Claimant's net income of \$830 in accordance with Department policy. See BEM 536 (October 2010), pp. 1-5.

Because Claimant's monthly total net income of \$830 exceeds the \$500 PIL by \$330, the Department acted in accordance with Department policy when it concluded that Claimant was eligible for MA coverage under the G2C program with a monthly deductible of \$330. Because Claimant was eligible for MA under the deductible program, she was income ineligible under the LIF-MA program. See BEM 110 (January 1, 2011); RFT 243 (July 1, 2007), p 1.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department acted in accordance with Department policy when it closed Claimant's LIF coverage and provided MA coverage to Claimant with a \$330 monthly deductible. Accordingly, the Department's decision is AFFIRMED.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 2, 2013

Date Mailed: May 2, 2013

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.

2013-10865/ACE

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

ACE/pf

cc:

