

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201328846  
Issue No.: 2017  
Case No.: [REDACTED]  
Hearing Date: June 5, 2013  
County: Wayne County (#19)

**ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE**

**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 conducted on Wednesday, June 5, 2013, from Detroit, Michigan. The Claimant appeared along with her daughter ([REDACTED]). Participant on behalf of Department of Human Services (Department) was [REDACTED] (Assistant Payment Worker).

**ISSUE**

Whether the Department properly closed the Claimant's Medicare Savings Program benefits?

**FINDINGS OF FACT**

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

1. The Claimant and her husband were ongoing MA and Medicare Savings Program recipients under Qualified Medicare Beneficiaries (QMB) program.
2. The Claimant receives \$545/month in RSDI income; and her husband receives \$1524.00/monthly in RSDI income. (Exhibit 5 & 6)
3. On January 24, 2013, the Department sent Notice of Case Action that the Medicare Savings program QMB benefits would close for both Claimant and her husband due to not meeting basic criteria. (Exhibit 3)

6. On February 4, 2013, the Department received Claimant's written hearing request disputing the action.

### **CONCLUSIONS OF LAW**

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

Medicare Savings Programs are SSI-related MA categories that assist clients with payment of Medicare Part A or B premiums. There are three categories that make up the Medicare Savings Program: 1) Qualified Medicare Beneficiaries (QMB) ; 2) Specified Low-Income Medicare Beneficiaries (SLMB); and Q1 Additional Low-Income Medicare Beneficiaries (ALMB). Income is the major determiner of the categories. QMB- net income cannot exceed over 100% of poverty level; SLMB- net income is over 100% but cannot exceed 120% of poverty level; and ALMB- net income is over 120% but cannot exceed 135% of poverty level. BEM 165, p. 2. All categories pay Medicare Part B premiums for a client with category QMB paying any Medicare deductibles also. BEM 165, p. 2. Income eligibility exists when net income is within the limits in RFT 242. The income limit for the QMB category with a group size of 2 is \$1,293 and the limit for ALMB is \$1,745. RFT 242 (April 2012), p. 1.

Here the Claimant's total countable household unearned income is \$2,069. The amount exceeds the limit for the QMB through ALMB categories. Claimant did not dispute the amount of monthly countable unearned RSDI income received by her and her husband. Therefore, I find the Department presented sufficient evidence to establish it acted in accordance with policy when it closed the Claimant's Medicare Savings program. It is unclear on this record why the Department found Claimant eligible for QMB benefits in December 2012 and ineligible as of March 1, 2013. It appears the Department discovered the Claimant was receiving RSDI income rather than SSI income. Income is treated differently with regards to MA eligibility. SSI income is excluded but RSDI income is countable when determining MA eligibility.

Accordingly, the Department's action is upheld.

### **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 established it acted properly when it closed the QMB Medicare Savings program as of March 1, 2013.

Accordingly, the Department's MA determination is hereby, **AFFIRMED**.

*M. Howie*

**Michelle Howie**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 6/19/2013

Date Mailed: 6/19/2013

**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.

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

MH/hw

cc: 

