

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

IN THE MATTER OF:



Reg. No.: 2013-35954
Issue No.: 2026
Case No.: [REDACTED]
Hearing Date: August 5, 2013
County: Macomb (50-20)

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 August 5, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED]

ISSUE

Did the Department properly provide Medical Assistance (MA) coverage to Claimant subject to a \$560 monthly 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 is an ongoing recipient of MA coverage under the Group 2 Caretaker Relative (G2C) program.
2. In a March 12, 2013, Notice of Case Action, the Department notified Claimant that, effective April 1, 2013, her MA coverage would be subject to a \$560 monthly deductible.
3. On March 18, 2013, Claimant filed a request for hearing, disputing the Department's actions, finding that her MA coverage was subject to a monthly \$560 deductible.

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, on March 12, 2013, the Department sent Claimant a Notice of Case Action notifying her that her monthly deductible was \$560 effective April 1, 2013.

Clients are eligible for full MA coverage when 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.

In this case, Claimant receives MA under the Group 2 Caretaker (G2C) plan and lives with her minor son and the child's father, who is not her spouse. For MA purposes, Claimant has a fiscal MA group size of one. BEM 211 (November 2012), p. 5. The monthly PIL for an MA group of one living in [REDACTED] is \$408. RFT 200 (July 1, 2007), p. 1; RFT 240, p. 1. Therefore, if Claimant's net monthly income is over \$408, she may be eligible for MA assistance under the deductible program, with the deductible equal to the amount that her monthly net income exceeds \$408. BEM 545 (July 1, 2011), p. 2.

The Department provided a copy of the G-2 FIP Related MA-Net Income budget showing the calculation of Claimant's MA net income and her deductible. The calculation of a client's net income begins with the determination of the client's gross monthly income. In calculating a client's gross monthly income for MA purposes, the Department must estimate the amount the client will receive in a processing or future month. BEM 530 (October 2012), p. 3. The Department testified that in calculating Claimant's gross income, it relied on her gross biweekly unemployment compensation benefits of \$652. Although the Department testified that it multiplied this amount by 2.15 to arrive at her gross monthly income of \$1,401.80, a review of the Department's budget shows that the Department actually multiplied Claimant's biweekly income by 2, in accordance with Department policy, to arrive at gross monthly unearned income of \$1,302. Although Claimant testified that her unemployment benefits decreased, she confirmed that she received \$652 in biweekly benefits in April 2013, when her MA eligibility was recalculated. The Department credibly testified that Claimant's deductible was subsequently adjusted when she received reduced unemployment benefits.

A review of the MA budget shows that, based on the foregoing information, the Department properly determined that the child was Claimant's only dependent as defined under Department policy and that Claimant's prorated share of her income was \$334. See BEM 536 (January 2010), pp. 1-3. Because there was no evidence that Claimant was eligible for any applicable needs deduction, Claimant's total net income for MA purposes was calculated at \$968 in accordance with Department policy. See BEM 536, p. 5; BEM 544, pp. 1-3. Because Claimant's net income of \$968 exceeds the applicable \$408 PIL by \$560, the Department calculated Claimant's \$560 monthly deductible in accordance with Department policy.

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 determined that Claimant was eligible for MA coverage subject to a monthly \$560 deductible as of April 2013 ongoing.

Accordingly, the Department's decision is AFFIRMED.



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

Date Signed: August 20, 2013

Date Mailed: August 20, 2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

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The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

ACE/pf

cc:

