

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-48666
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: August 1, 2013
County: Wayne (82-55)

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 1, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly deny Claimant's Medical Assistance (MA) application, including coverage under the Adult Medical Program (AMP)?

FINDINGS OF FACT

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

1. On April 26, 2013, Claimant applied for MA and AMP.
2. On May 10, 2013, the Department sent Claimant a Notice of Case Action denying his application.
3. On May 17, 2013, Claimant filed a request for hearing disputing the Department's action.

CONCLUSIONS OF LAW

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.

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.* Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

Additionally, on April 26, 2013, Claimant filed an MA/AMP application. On May 10, 2013, the Department denied the application because "income exceeds the limit for the program." The Department testified that its finding that Claimant was not income eligible for coverage concerned his eligibility for AMP coverage. See BEM 640 (October 2012), p. 3. AMP provides limited medical services for persons not eligible for MA coverage. BEM 100 (June 2012), p. 4. Income eligibility for AMP coverage exists when the AMP group's net income does not exceed the group's AMP income limit. BEM 640, p. 3. At the time of Claimant's April 2013 AMP application, the AMP income limit for an individual and spouse in an independent living arrangement was \$425. RFT 236 (April 2009), p. 1.

In processing an applicant's AMP income, the Department considers amounts already received and amounts likely to be received by the applicant in the processing month. BEM 640, p. 4. In this case, the Department presented Claimant's AMP Income Budget showing Claimant's gross earned income of \$1,020 and testified that it used the gross monthly income Claimant identified in his application to determine his AMP income eligibility. See BAM 130 (May 2012), p. 1. However, on page C of his application, Claimant stated his household's gross income was \$800 and on page N, Claimant stated that he earned \$8.50 for 40 hours weekly employment, which would result in gross monthly income of \$1,360. See BEM 530 (October 2012), p. 3. Based on Claimant's representations in his application, it is unclear why the Department used \$1,020 in the AMP budget. However, assuming Claimant's gross income was \$800 in April 2013, the lowest amount presented by Claimant in his application and the income Claimant verified at the hearing, Claimant's net earned income for AMP purposes was \$480, after taking into account a gross earnings deduction of \$200 plus an additional deduction totaling 20% of the remaining gross earnings. BEM 640, p. 4. Because Claimant's net income of \$480 exceeded the applicable \$453 income limit, the Department acted in accordance with Department policy when it denied Claimant's AMP application.

While the May 10, 2013, Notice of Case Action does not indicate that Claimant's MA eligibility under other categories was considered, the Department testified that it did consider Claimant's eligibility under other categories and concluded he was not eligible

for MA under any other program. An individual may receive MA coverage if he qualifies under a FIP-related MA category or an SSI-related MA category. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare, or formerly blind or disabled. BEM 105 (October 2010), p. 1. To receive MA under a FIP-related category, the person must have dependent children who live with him, be a caretaker relative of dependent children, be under age 21, or be a pregnant or recently pregnant woman. BEM 105, p. 1; BEM 132 (October 2010), p. 1; BEM 135 (January 2011), p. 1. Although Claimant indicated in his hearing request that he had medical conditions, he did not identify himself as disabled in his MA application. The evidence at the hearing established that Claimant was not eligible for MA under any of the other eligibility criteria. Based on the information available to the Department at the time of application, the Department acted in accordance with Department policy when it denied Claimant's MA application.

DECISION AND ORDER

The Administrative Law Judge, based on 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 denied Claimant's MA application, including his coverage under AMP.

Accordingly, the Department's MA and AMP decision is AFFIRMED.



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

Date Signed: August 6, 2013

Date Mailed: August 7, 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;

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- 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.

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:

