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

IN THE MATTER OF:

Reg. No.: 2014-12320
Issue No(s).: 2001
Case No.:
Hearing Date: December 18, 2013
County: Berrien County DHS

ADMINISTRATIVE LAW JUDGE: Colleen Lack

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99. 1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing wa s held on December 18, 2013, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Ser vices (Department) included Family Independence Manager, and Eligibility Specialist.

ISSUE

Did the Department properly determine the Claimant's Medicaid eligibility?

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 Department determined that the Claimant has a mont hly deductible of $ for Medicaid.

2. On October 1, 2013, a Notice of Case Action was iss ued to the Claimant stating her deductible was m et and Medicaid was approved for the period of October 1, 2013 through October 31, 2013.

3. On November 8, 2013, the Claimant filed a heari ng request contesting the Department's action(s).

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Service s Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), D epartment of Human Servic es Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, income eligibility exists for Medicaid for the calendar month tested when there is no excess income, or when allowable medical expenses are equal, or exceed the excess income. If one of old bills personal care services in the Client's home, hospitalization or long term care equals or exceeds the group's excess income for the month tested, income eligibility exists for the entire month. If old bills personal care services in the Client's home, hospitalization or long term care does not equal or exceed the group's excess income for the month tested, income for the month tested, income eligibility begins either: the exact day of the month the allowable expenses exceed the excess income or the day after the day of the month the allowable expenses equal the excess income. The Department must verify certain information, including the date of the expense incurred and the amount of the expense, before using an allowable medical expense to determine eligibility. Sources to verify an incurred expense include documentation from or contact with a medical provider. BEM 545

Medicaid income budgeting policies and protected income levels can be found in BEM 530, 541, 544, 545 and 546, as well as, RFT 200 and 240. The Department counts the gross amount of unearned income, including RSDI Social Security benefits and pensions. BEM 503. The protected income level is a set allowance for non-medical need items such as shelter, food, and incidental expenses. BEM 544.

The Claimant was concerned that she has such a large monthly spend-down when she has also been told she is only $ over the income limit. The testimony of the Department witnesses confirmed that the Claimant was formerly a participant in a waiver program. The MI Choice Waiver program has separate criteria and therefore a different calculation for income eligibility. BEM 106. The determination that the Claimant's income was $ over the limit for MI Choice Waiver program eligibility is not related to the income calculation for Medicaid eligibility.

The Department determined that the Claimant has a monthly deductible of $ for Medicaid. The Family Independence Manger testified that before the hearing began, the income amounts the Department utilized in calculating the Medicaid spend-down were discussed and the Claimant agreed these amounts were correct. Further, the Department does not contest that the Claimant meets her spend-down each month with dialysis. However, the dialysis center does not send the documentation of the medical expenses to the Department until the end of each month. Accordingly, the Department cannot make the determination that the spend-down has been met until this documentation is received.

The Claimant's testimony indicated that one dialysis treatment exceeds her monthly spend-down amount. However, because this is not applied until the end of the month, the Claimant's medical providers are not seeing the eligibility when she needs medical

services during the month. This results in the Claimant having to pay some medical providers or pay for medications at the time she needs the service(s).

The Family Independence Manager testified that the Department is working with the dialysis center to try to have documentation of the medical expenses sent earlier in the month. Instead of waiting until the end of the month and sending documentation of all services for the month, the dialysis center could send documentation of the first dialysis treatment of the month as soon as it occurs. Based on the testimony, each treatment has a cost of around $ Accordingly, the first treatment each month would exceed the Claimant's spend-down of $ The Department confirmed that they would only need the date of service and cost for the service, not even the breakdown of specifics like the costs of the supplies utilized. This would allow the Department to apply the medical expense to the Claimant's monthly spend-down much earlier in the month, so the Claimant would have active Medicaid coverage during the month.

The evidence establishes that the Department calculated the Claimant's spend down based on accurate verifications of the monthly income. The evidence further establishes that as soon as verification of medical expenses was received, the Department applied the medical expenses to the spend-down and approved Medicaid coverage.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it determined the Claimant's Medicaid eligibility.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

/s/

Colleen Lack
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: January 3, 2014

Date Mailed: January 3, 2014

NOTICE OF APPEAL: 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.

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).

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

- Newly discovered evidence that existe d at the ti me of the o riginal hea ring th at co uld affe ct th e 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 h earing decision that affects the rights of the client;
- Failure of th e ALJ to a ddress i n the heari ng d ecision relevant issu es 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

CL/hj

cc: