

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201311993  
Issue No.: 2019  
Case No.: [REDACTED]  
Hearing Date: April 4, 2013  
County: Mason

**ADMINISTRATIVE LAW JUDGE:** Susanne E. Harris

**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 4, 2013, from, Michigan. Participants on behalf of Claimant included his [REDACTED] and Authorized Hearing Representative (AHR), [REDACTED]. Participants on behalf of Department of Human Services (Department) included Eligibility Specialist (ES) [REDACTED].

**ISSUE**

Did the Department properly determine the Claimant's patient-pay amount for his Medical Assistance (MA) case when it disallowed a deduction for the health insurance that Claimant's spouse pays on his behalf?

**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 was an ongoing recipient of MA benefits with a patient-pay amount of \$ [REDACTED] and he was in a [REDACTED]. The patient was released from the [REDACTED] on [REDACTED]. (Hearing Summary, Exhibit 8)
2. On August 31, 2012, an MA Audit was conducted which resulted in a determination that medical expenses not in the Claimant's name must be disallowed. (Exhibit 3)
3. On October 5, 2012, the Claimant was again in a nursing home and the Department's MA budget determined that the patient-pay amount was

\$ [REDACTED] as the Claimant's [REDACTED] health insurance premium of \$ [REDACTED] was disallowed. (Exhibit 6, 10)

4. On November 7, 2012, the Department received the Claimant's [REDACTED] hearing request protesting the Claimant's patient-pay amount.

### CONCLUSIONS OF LAW

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

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3001 through R 400.3015.

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.*

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 ACS, R 400.3151 through R 400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001 through R 400.5015.

In this case, the Claimant's [REDACTED] did not contest any of the figures used as income or deductions contained in the budget, with the exception of the health insurance premium she pays on behalf of the Claimant which is \$ [REDACTED]. The Claimant's [REDACTED] testified that it was a hardship to pay \$ [REDACTED] as opposed to the \$ [REDACTED] they used to pay. Bridges Eligibility Manual (BEM) 546 (2012) pp. 6, 7, which was the policy in effect at the time the action was taken, instructs the ES to include as a need item the cost of any health insurance premiums (including vision and dental insurance) the patient pays, regardless of who the coverage is for. This includes Medicare premiums that a Claimant pays. BEM 546 instructs the ES to **not** include premiums paid by someone other than the patient as a need item.

While the Administrative Law Judge certainly sympathizes with the Claimant's situation, the Administrative Law Judge's jurisdiction is to examine the case and make a determination as to whether the Department was acting in accordance with its policy when determining the Claimant's patient-pay amount. In this case, the Administrative Law Judge does determine that the Claimant's spouse's health insurance premium, per BEM 546, must be disallowed. Therefore, the Administrative Law Judge concludes that the Department was acting in accordance with its policy when determining the Claimant's patient pay amount.

**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  did act properly when determining the Claimant's patient pay amount.  did not act properly

Accordingly, the Department's  AMP  FIP  FAP  MA  SDA  CDC decision is  AFFIRMED  REVERSED.

/s/ \_\_\_\_\_  
Susanne E. Harris  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 4/5/13

Date Mailed: 4/5/13

**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

SEH/tb

cc:

