

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

IN THE MATTER OF:



Reg. No.: 2013-18941
Issue No.: 2026
Case No.: [REDACTED]
Hearing Date: May 6, 2013
County: Wayne (82-19)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 May 6, 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 provide Claimant and her husband with Medical Assistance (MA) coverage under the Group 2 Caretaker Relatives coverage with a monthly \$350 deductible for February 1, 2013, ongoing?

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 and her husband were ongoing recipients of MA benefits.
2. In connection with November 2012 redetermination, the Department recalculated Claimant's and her husband's MA budget.
3. On December 10, 2012, the Department sent Claimant a Notice of Case Action advising her that, effective February 1, 2013, she and her husband would receive MA coverage each with a monthly \$350 deductible. Exhibit 1.

4. On December 18, 2012, Claimant filed a hearing request disputing the Department's action. Exhibit 4.

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.

As a preliminary matter, the December 10, 2012, Notice of Case Action also addressed that the three minor children will receive MA coverage under the Other Healthy Kids program effective February 1, 2013, ongoing, with no deductible. Exhibit 1. The Notice of Case Action also stated that the group size of five had been approved for Food Assistance Program (FAP) benefits in the amount of \$576 per month effective January 1, 2013, ongoing. Exhibit 1. Claimant testified that she is not disputing the minor children's MA coverage or the FAP benefits. Thus, this decision will only address Claimant's and her husband's MA coverage.

Before closing an MA case, the Department must conduct an *ex parte* review and consider the client's eligibility for coverage under other MA programs. BAM 210 (November 2012), p. 1. In this case, in connection with a November 2012 redetermination, the Department recalculated Claimant's MA budgets. Because of the husband's earned income, the Department determined that, effective February 1, 2013, Claimant and her husband were eligible for MA coverage under the Group 2 Caretaker (G2C) program, each with a \$350 monthly deductible, and their three minor children were eligible for full MA coverage under the Other Healthy Kids (OHK) program.

The Department provided copies of Claimant's MA budget showing the calculation of Claimant's deductible for February 2013. Exhibit 2. In determining a client's net income for MA purposes, the Department testified that it considered Claimant's husband's earned income. BEM 501 (July 2012), pp. 1-11; BEM 500 (November 2012), pp. 1-12. Based on Claimant's husband's earned income and the fact that there were three minor children in Claimant's home, the Department calculated Claimant's net income of \$850 in accordance with Department policy. See BEM 536 (January 2010), pp. 1-5. Claimant testified that she did not dispute the amount considered as her husband's net income.

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 2011), p. 2; BEM 544 (August 2008), p. 1; RFT 240

(July 2007), p. 1. In this case, the monthly PIL for an MA group of two (Claimant and her husband) living in Wayne County is \$500 per month. RFT 200 (July 2007), p. 1; RFT 240, p. 1.

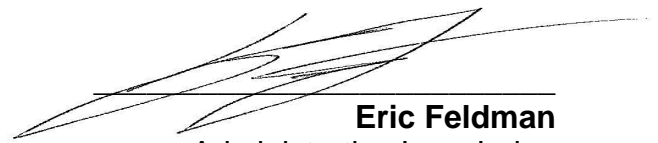
An individual whose income is in excess of the applicable monthly PIL may become eligible for MA assistance under the deductible program, with the deductible equal to the amount that the individual's monthly net income exceeds the applicable PIL. BEM 545 (July 2011), p. 2. Because Claimant's monthly total net income of \$850 exceeds the \$500 PIL by \$350, the Department acted in accordance with Department policy when it concluded that Claimant was eligible for MA coverage under the G2C program with a monthly deductible of \$350.

Although the Department did not provide an MA budget for Claimant's husband, a review of the figures relied upon by the Department as well as Claimant agreeing to the net income, shows that the Department acted in accordance with Department policy when it calculated Claimant's husband's monthly deductible at \$350 as well.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated above and on the record, finds that the Department did act properly when it changed Claimant's MA coverage and provided MA coverage to Claimant and her husband with a \$350 monthly deductible for February 1, 2013, ongoing, under the G2C MA program.

Accordingly, the Department's MA decision is AFFIRMED for the reasons stated above and on the record.



Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 8, 2013

Date Mailed: May 9, 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 affect 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

EJF/pf

cc:

