

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

IN THE MATTER OF:

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██████████████████

Reg. No.: 2013-30061
Issue No.: 2026
Case No.: ██████████
Hearing Date: July 18, 2013
County: Macomb (20)

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 July 18, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████kowski, Eligibility Specialist.

ISSUE

Did the Department properly calculate Claimant's Medical Assistance (MA) deductible effective January 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. On January 27, 2013, Claimant submitted an application for MA benefits.
2. On January 29, 2013, the Department sent Claimant a Notice of Case action that, effective January 1, 2013, ongoing; she would receive Group 2 Spend-Down (G2S) MA coverage with a \$587 deductible. Exhibit 1.
3. On February 11, 2013, Claimant filed a request for hearing disputing her MA benefits. Exhibit 1.

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.

It was not disputed that Claimant's was disabled and/or an aged individual. See Exhibit 1. As a disabled person, Claimant received Group 2 Spend-Down (G2S) effective January 1, 2013, ongoing, due to Claimant receiving Retirement, Survivors, and Disability Insurance (RSDI) payments as of December 1, 2012. See SOLQ report Exhibit 1. G2S is an SSI-related category. BEM 166 outlines the proper procedures for determining G2S eligibility. The Department testified that Claimant was only eligible for G2S MA coverage. See Hearing Summary, Exhibit 1. Individuals are eligible for Group 2 MA coverage when net income (countable income minus allowable income deductions) does not exceed the applicable Group 2 MA protected income levels (PIL), which is based on shelter area and fiscal group size. BEM 105 (October 2010), p. 1; BEM 166 (October 2010), pp. 1-2; BEM 544 (August 2008), p. 1; RFT 240 (July 2007), p. 1. The monthly PIL for a MA group of one living in Macomb County is \$408 per month. RFT 200 (July 2007), p. 1; RFT 240, p. 1. Moreover, an individual whose monthly income is in excess of \$408 may become eligible for assistance under the deductible program, with the deductible being equal to the amount that the group's monthly income exceeds the PIL. BEM 545, p. 1.

In this case, it was not disputed that Claimant's gross RSDI unearned income was \$1,032 per month. See SOLQ report Exhibit 1. The Department properly subtracted the \$20 disregard to establish Claimant's total net income for MA purposes at \$1,012. BEM 530 (October 2012), pp. 1-4; BEM 541 (January 2011), p. 1.

It should be noted that the MA budget indicates that the net income went from \$1,012 to a countable income of \$995. See Exhibit. This is a \$17 difference. The MA budget does not indicate what accounted for this \$17 difference. The Department testified that this difference was previous medical expenses included in the budget.

Nevertheless, Claimant's countable income of \$995 for MA purposes still exceeds the monthly protected income level of \$408 by \$587. Thus, the Department determined that Claimant would receive MA coverage once she incurs medical expenses in excess of \$587 during the month.

Based on the above calculation, the Department properly calculated Claimant's MA deductible.

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 properly calculated Claimant's MA deductible.

Accordingly, the Department's MA decision is AFFIRMED.



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

Date Signed: August 7, 2013

Date Mailed: August 7, 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 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

EJF/cl

cc: [REDACTED]
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