

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201337188
Issue No.: 2026
Case No.: [REDACTED]
Hearing Date: June 18, 2013
County: Oakland 04

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 June 18, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included Eligibility Specialist, [REDACTED].

ISSUE

Did the Department properly determine the amount of the Claimant's deductible for his Medical Assistance (MA) case?

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 is an ongoing recipient of MA benefits.
2. On January 1, 2013, the Claimant's Ad-care MA case close during a review of his eligibility, as he was then receiving \$ [REDACTED] monthly RSDI income. The Claimant was approved for MA-Group 2 instead.
3. The Claimant's wife receives \$ [REDACTED] earned income every month.
4. During the review of the Claimant's case, per the Department's eligibility summary and budget in evidence, the Department calculated the Claimant's deductible to be \$ [REDACTED] per month, for the months of January, February and March of 2013.

5. On March 8, 2013, the Department sent the Claimant a DHS-1605, Notice of Case Action informing the Claimant that his deductible was \$ [REDACTED]
6. On March 18, 2013, the Department received the Claimant's written hearing request protesting the Department's deductible calculation.

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 AACS, 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 Department's Eligibility Specialist at the hearing was not the worker who took action in the Claimant's case. She could therefore not explain why it was that the deductible amount cited in the DHS-1605, Notice of Case Action differed from the deductible amount in the Department's budget and Eligibility Summary. During the hearing, the Claimant clarified that he simply could not afford a deductible and he was now protesting that his Ad-care MA case closed and that he is now only eligible for Group 2 MA, as he simply cannot afford the deductible. The Claimant did not request a hearing regarding the closure of his Ad-care MA case in January of 2013 and that issue is therefore not properly before the Administrative Law Judge. The Claimant did return the hearing request from the DHS-1605, Notice of Case Action establishing his deductible and clearly requested a hearing for "spend down calculation."

Bridges Eligibility Manual (BEM) 545 (2011) establishes the formula for calculating a deductible. The Department's exhibits indicating what the Claimant's deductible was are inconsistent regarding the amount of that deductible. Furthermore, the Department's Eligibility Specialist did not take the action in this case and could not explain why those figures were inconsistent. The Administrative Law Judge therefore concludes that the Department does not meet its burden of establishing that it was acting in accordance with departmental policy when taking action to establish the Claimant's deductible.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law finds that the Department did act properly. did not act properly when determining what the Claimant's MA deductible was.

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

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate action to re-determine the Claimant's MA deductible back to March 1, 2013, and
2. Initiate action to issue the Claimant any supplement he may thereafter be due.

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

Date Signed: 6/19/13

Date Mailed: 6/20/13

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:

