

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
FOR THE DEPARTMENT OF COMMUNITY HEALTH**
P.O. Box 30763, Lansing, MI 48909
(877) 833-0870; Fax: (517) 373-4147

IN THE MATTER OF:

██████████,

Appellant

_____ /

**Docket No. 2013-40043 MHF
Case No. ██████████**

DECISION AND ORDER

This case is before the State Office of Administrative Hearings and Rules pursuant to the provisions of MCL 330.1834 and Chapter 4 of the Administrative Procedures Act of 1969, as amended, MCL 24.271 *et seq.*

After due notice, a hearing was held on ██████████. The Appellant appeared without representation. He had no witnesses. ██████████, reimbursement department, represented the Department. She had no witnesses.

ISSUE

Did the Department properly determine Appellant's ability to pay for inpatient services?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. The Appellant was admitted to the ██████████ in ██████████ ██████████.
2. A 61st day financial determination ability to pay determination was completed by the Department/Center for Forensic Psychiatry reimbursement staff on ██████████. (Exhibit A, (Sub A))
3. The determination found Appellant's annual ability to pay as \$ ██████████ and a monthly payment amount of \$ ██████████. (Exhibit A - throughout).
4. The Department's reimbursement officer considered Appellant's liabilities as well as "protected" income [\$ ██████████] and assets when determining his annual ability to pay. (Exhibit A, Sub A).

5. On ██████████, the Department sent the Appellant written notification of Appellant's annual ability to pay of Lump Sum \$ ██████████ and \$ ██████████ monthly. (Exhibit A, Sub A).
6. At hearing the Appellant sought the admission of his credit report in an effort to capture additional outstanding bills [liabilities] for the Department's consideration. That request was denied by the ALJ. See Testimony.
7. The Department's representative said that the Appellant had ample notice to produce billings for their consideration and that future reviews would capture those billings – if provided. See Testimony.
8. On ██████████, the Department received a copy of Appellant's request for an administrative hearing before the Michigan Administrative Hearing System. (Exhibit 1).

CONCLUSIONS OF LAW

Section 802 of the Michigan Mental Health Code, being MCL 330.1802; establishes financial liability for mental health services provided by the Michigan Department of Community Health. Section 804 states:

(1) A responsible party is financially liable for the cost of services provided to the individual directly or by contract with the department or a community mental health services program.

The Department established that the Appellant is a "responsible party" and that he received inpatient psychiatric services provided by the Department for which he is financially liable.

The Department is mandated by state law to determine the Appellant's ability to pay:

(1) The department or a community mental health services program shall determine an adult responsible party's ability to pay for residential services and inpatient services other than psychiatric inpatient services of less than 61 days by taking into consideration the adult responsible party's total financial circumstances, including, but not limited to, income, expenses, number and condition of dependents, assets, and liabilities.

MCL 330.1819

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Section 822 of the Michigan Mental Health Code, being MCL 330.1822 requires all responsible parties to make:

... available to the Department or Community Mental Health Services Program any relevant financial information that the department or community mental health services program is not prohibited by law from seeking and obtaining, and that the Department or Community Mental Health Services Program deems essential for the purpose of determining ability to pay. Willful failure to provide the relevant financial information may result in a determination of ability to pay up to the full cost of services received by the individual.

Regarding undue financial burden:

A responsible party's ability to pay shall not create an undue financial burden that does either of the following:

- (a) Deprives the party and his or her dependents of the necessities described in these rules.
- (b) Deprives the party and his or her dependents of the financial means to maintain or re-establish the individual in a reasonable and appropriate community-based setting.

Mich Admin Code, R 330.8279

Expenses mean the reasonable un-reimbursed expenditures of money, actual and estimated, during a financial year to maintain a standard of living essential for one's self and his or her dependents. All of the following are considered necessities:

- (i) Food, clothing, and personal necessities.
- (ii) Shelter, including utilities and repairs for the upkeep of a homestead.
- (iii) Employment or business expenses.
- (iv) Medical services.
- (v) Taxes.
- (vi) Elementary, secondary, and postsecondary education.
- (vii) Repayment of personal financial obligations contractually established before an application was made for services, including such outstanding debt as lease

payments, credit card obligations, and other educational or training expenses.

(viii) Payments made under a divorce decree or court order.

(ix) Transportation to maintain employment and necessary family activities.

Mich Admin Code, R 330.8005(c)

The Department witness testified that she performed an ability to pay determination for the Appellant. In calculating the financial determination the Department determined Appellant's annual ability to pay a lump sum of \$██████████ with a monthly amount of \$██████████. This was based on the total of the Appellant's value of assets [\$██████████] less total liabilities [\$██████████] less protected assets [\$██████████].

The Department's reimbursement staff considered Appellant's liabilities as well as his income and assets when determining his annual financial determination. (Exhibit A, throughout)

The Appellant testified that additional expenses in the form of billings are still forthcoming. The Department representative said that everything the Appellant submitted was considered.

The Department's witness agreed to credit the Appellant's next accounting with appropriately submitted data.

The Appellant is court-ordered to live in a residential setting. He has resided in the ██████████ since ██████████. At the time of hearing there are no plans to discharge the Appellant.

There is no finding of undue financial burden.

The Department provided sufficient evidence to establish that it properly determined the Appellant's ability to pay for inpatient services. The Appellant did not provide a preponderance of evidence that the Department failed to properly determine his ability to pay.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly determined Appellant's ability to pay for inpatient services.

IT IS THEREFORE ORDERED that:

The Department's decision is **AFFIRMED**.

ls _____
Dale Malewska
Administrative Law Judge

[REDACTED]
cc: [REDACTED]

Date Signed: 9/18/2013

Date Mailed: 9/18/2013

***** NOTICE *****

The Appellant may appeal the above Decision and Order to the probate court for the county in which he/she lives. The Appellant's appeal to the probate court must be within 60 days from the date of the Decision and Order.