

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

**IN THE MATTER OF:**

████████████████████  
████████████████████  
████████████████████

Reg. No.: 2013-45135  
Issue No.: 2018  
Case No.: ██████████  
Hearing Date: July 24, 2013  
County: Oakland (03)

**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 24, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's husband, ██████████. Participants on behalf of the Department of Human Services (Department) included ██████████ Family Independence Specialist.

**ISSUE**

Did the Department properly provide Claimant's husband with MA coverage under the Group 2 Caretaker Relatives (G2C) coverage with a monthly \$5,671 deductible for May 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 April 19, 2013, the Department sent Claimant a Notice of Case Action advising her that, effective May 1, 2013, Claimant's husband would receive MA coverage with a monthly \$5,671 deductible. Exhibit 1.
2. On April 30, 2013, Claimant filed a hearing request, protesting both her and her husband's MA deductible. Exhibit 1.

## **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 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.

### **Preliminary matters**

Claimant's husband was also disputing his wife's deductible in the amount of \$1,677 each month. On May 2, 2013, the Department sent Claimant a Notice of Case Action advising her that, effective May 1, 2013, Claimant would receive MA coverage with a monthly \$1,677 deductible. Exhibit 1. Claimant's hearing request is dated April 30, 2013. See Exhibit 1. The Notice of Case Action regarding Claimant's deductible is subsequent to the April 30, 2013 hearing request. Thus, this hearing decision cannot address Claimant's deductible. Claimant will have to file another hearing request to dispute the \$1,677 deductible. BAM 600 (February 2013), pp. 3 and 4.

Additionally, it appears from the Claimant's husband's testimony that he also wanted to dispute his February through April 2013 MA benefits. The Department testified that Claimant did not have MA coverage during this time period because he did not meet his deductible for at least one of the three calendar months. Thus, his MA coverage closed.

At the hearing, Claimant provided a medical bill; however, the statement date was July 17, 2013 for services incurred in May 2013. See Exhibit A. Also, Claimant's hearing request only states that he has a high deductible and does not address those previous months. See Exhibit 1. The hearing request is based on the Notice of Case Action advising him that he has a \$5,671 deductible effective May 1, 2013, ongoing. See Exhibit 1.

The Department redetermines eligibility for active deductible cases at least every 12 months unless the group has not met its deductible within the past three months. BEM 545 (July 2011), p. 9. If a group has not met its deductible in at least one of the three calendar months before that month and none of the members are QMB, SLM or ALM eligible, the Department will automatically notify the group of closure. BEM 545, p. 9.

Based on the foregoing information, this hearing decision will only address Claimant's MA benefits effective May 1, 2013, ongoing. First, Claimant did not meet his deductible in at least one of the three calendar months. BEM 545, p. 9. Moreover, the bill he presented was for services incurred in May 2013. Second, Claimant's hearing request does not specify the previous months he is disputing.

**MA benefits**

In this case, on April 19, 2013, the Department sent Claimant a Notice of Case Action advising her that, effective May 1, 2013, Claimant's husband would receive MA coverage with a monthly \$5,671 deductible. Exhibit 1.

At the hearing, it appears from the Department's testimony that Claimant did not have any active MA coverage for May 1, 2013, ongoing. However, the Department sent Claimant a Notice of Case Action advising him that he does have MA coverage effective May 1, 2013, ongoing. See Exhibit 1. The Department also did not provide a budget for the hearing.

The local office and client or authorized hearing representative will each present their position to the ALJ, who will determine whether the actions taken by the local office are correct according to fact, law, policy and procedure. BAM 600, p. 28. Following the opening statement(s), if any, the ALJ directs the DHS case presenter to explain the position of the local office. BAM 600, p. 28. Both the local office and the client or authorized hearing representative must have adequate opportunity to present the case, bring witnesses, establish all pertinent facts, argue the case, refute any evidence, cross-examine adverse witnesses, and cross-examine the author of a document offered in evidence. BAM 600, p. 28. The ALJ determines the facts based only on evidence introduced at the hearing, draws a conclusion of law, and determines whether DHS policy was appropriately applied. BAM 600, p. 30.

Based on the foregoing information and evidence, the Department did not satisfy its burden of showing that it acted in accordance with Department policy. The Department was unaware of any active MA coverage for Claimant's husband. However, it sent a Notice of Case Action to him advising that he does have G2C coverage. See Exhibit 1. This information is contradictory because Claimant believes that he does have MA coverage based on the Department's own letter. Moreover, the Department failed to present any budget to review Claimant's deductible that he was disputing. Thus, the Department will have to reprocess Claimant's MA coverage effective May 1, 2013, ongoing.

**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 not act properly when it calculated Claimant's MA deductible effective May 1, 2013, ongoing.

Accordingly, the Department's  AMP  FIP  FAP  MA  SDA  CDC decision is  AFFIRMED  REVERSED for the reasons stated on the record.

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

1. Initiate reinstatement Claimant's husband's MA case as of May 1, 2013, ongoing;
2. Begin recalculating the MA budget for May 1, 2013, ongoing, in accordance with Department policy;
3. Begin issuing supplements to Claimant's husband for any MA benefits he was eligible to receive but did not from May 1, 2013, ongoing; and
4. Begin notifying Claimant in writings of its MA decision in accordance with Department policy.



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

Date Signed: August 13, 2013

Date Mailed: August 13, 2013

**NOTICE OF APPEAL:** 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-07322

EJF/cl

cc: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]