

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-45328
Issue No.: 2018
Case No.: [REDACTED]
Hearing Date: July 3, 2013
County: Wayne (82-19)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 3, 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 deny Claimant and her daughter Medical Assistance (MA) coverage?

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 11, 2013, Claimant and her daughter applied for MA.
2. On April 16, 2013, the Department sent Claimant a Notice of Case Action denying the application on the basis that her net income exceeded the net income limit for the program.
3. On April 30, 2013, Claimant filed a request for hearing concerning the Department's action.

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.

Claimant filed a request for hearing on April 30, 2013 concerning the Department's denial of MA coverage for her and her 22 year-old-daughter. At the hearing, the Department testified that Claimant and her daughter had filed an MA application in March 2013, April 2013, and May 2013. Because the May 2013 application was filed after Claimant filed her April 30, 2013, request for hearing, Claimant was not aggrieved with respect to any action taken on that application at the time she filed her hearing request. Mich Admin Code R 400.903(1). Accordingly, Claimant was advised that the Department's action concerning her May 2013 application would not be addressed at the hearing, but she could request a hearing if she was concerned about the Department's action concerning that application.

An individual may receive MA coverage if he qualifies under a FIP-related MA category or an SSI-related MA category. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare, or formerly blind or disabled. BEM 105 (October 2010), p. 1. To receive MA under a FIP-related category, the person must have dependent children who live with him, be a caretaker relative of dependent children, be under age 21, or be a pregnant or recently pregnant woman. BEM 105, p. 1; BEM 132 (October 2010), p. 1; BEM 135 (January 2011), p. 1. Although the April 16, 2013, Notice of Case Action sent by the Department does not address Claimant and her daughter's eligibility for FIP-related or SSI-related MA, the evidence at the hearing established that neither Claimant nor her daughter meet any of these eligibility criteria at the time of the March 2013 and April 2013 applications. Thus, the Department acted in accordance with Department policy when it denied Claimant and her daughter FIP-related or SSI-related MA coverage.

Although the Department did not provide a Notice of Case Action concerning Claimant's and her daughter's March 2013 application, the Department testified that the March application was denied because the AMP program was closed to enrollment. AMP provides limited medical services for persons not eligible for MA coverage. BEM 100 (June 2012), p. 4. The AMP program was closed to new enrollees in March 2013. Therefore, the Department acted in accordance with Department policy when it denied Claimant's and her daughter's March 2013 application for AMP.

The AMP program was open to new enrollees in April 2013. The April 16, 2013, Notice of Case Action stated that the April 11, 2013, MA application was denied because "income exceeds the limit for this program" and because Claimant's daughter is "not a

specified relative.” The Department testified that the reason for the denial was income ineligibility and concerned the income limit under the AMP program. See BEM 640 (October 2012), p. 3; see also BEM 545 (July 2011), pp. 8-9 (clients with excess income under the FIP-related and SSI-related MA programs may be eligible for coverage under the deductible program). When the Department was asked if Claimant’s daughter, as a 22-year-old adult, was required to separately apply for MA or AMP, the Department responded that a separate application was unnecessary.

Income eligibility for AMP coverage exists when the AMP group's net income does not exceed the group's AMP income limit. BEM 640, p. 3. The AMP income limit for an individual in an independent living arrangement is \$316. RFT 236 (April 2009), p. 1.

The Department did not provide a budget showing its calculation of Claimant’s and her daughter’s income eligibility. The evidence at the hearing, however, established that Claimant’s daughter had no income and relied on Claimant to support her. The daughter’s AMP income eligibility is based on the net income of her group, which in this case consists of the daughter. BEM 214 (January 2010), p. 2; BEM 640, p. 3. Because the daughter has no income, the Department did not act in accordance with Department policy when it denied Claimant’s daughter’s AMP application on the basis of excess income.

Claimant testified that her sole income is the \$255 in unemployment benefits she receives biweekly. Claimant was not eligible for any deductions in calculating her net income. See BEM 640, p. 4. Because Claimant’s *monthly* net income from unemployment benefits was in excess of \$316, the Department acted in accordance with Department policy when it denied Claimant’s AMP application for excess income.

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 acted in accordance with Department policy when it denied Claimant’s MA and AMP applications and Claimant’s daughter’s MA application but did not act in accordance with Department policy when it denied Claimant’s daughter’s AMP application.

Accordingly, the Department’s decision is AFFIRMED IN PART with respect to the denial of Claimant’s MA and AMP applications and Claimant’s daughter’s MA applications AND REVERSED IN PART with respect to the denial of Claimant’s daughter’s AMP application.

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

1. Reinstate Claimant’s daughter’s April 11, 2013, AMP application;
2. Begin processing the application in accordance with Department policy;
3. Provide Claimant’s daughter with any MA coverage she is eligible to receive based on the date of the application; and

4. Notify Claimant in writing of its decision in accordance with Department policy.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 9, 2013

Date Mailed: July 10, 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

ACE/pf

cc:

