

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-47953
Issue No.: 2026
Case No.: [REDACTED]
Hearing Date: July 31, 2013
County: Wayne (82-35)

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 31, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED]

ISSUE

Did the Department properly provide Claimant Medical Assistance (MA) coverage subject to a monthly \$405 deductible for June 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. Claimant has one minor child in her household.
2. Claimant received MA coverage under the Group 2 Caretaker (G2C) program.
3. Effective June 1, 2013, ongoing, Claimant's MA coverage was subject to a monthly \$403 deductible.
4. On May 13, 2013, Claimant filed a hearing request disputing the Department's calculation of her deductible.

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.

Additionally, Claimant requested a hearing disputing the Department's calculation of her monthly deductible.

Claimant receives MA coverage under the Group 2 Caretaker (G2C) program and has one minor child in her household. The Department provided a G2-FIP-related MA budget showing the calculation of Claimant's deductible. At the hearing, the Department testified, and Claimant confirmed, that Claimant's gross monthly income was \$1,000, which was earned income from her employment. In calculating Claimant's total net income, the Department must deduct \$90 from the countable earnings of each fiscal group member with earnings. BEM 536 (January 2010), p. 1. This would bring Claimant's total net income to \$910. A review of the budget in this case, as well as consideration of the Department's testimony, reveals that the Department did not apply this deduction to Claimant's earned income. In fact, a review of the calculation in the budget shows that the Department considered gross monthly income of \$1,049 (with no deduction) in calculating Claimant's prorated income, contrary to the evidence that Claimant's only income was her gross monthly earned income of \$1,000. Based on the correct monthly income, application of the \$90 deduction, and consideration of Claimant's one minor child living in her household, Claimant's prorated income is less than the \$269 calculated by the Department. As a result, the Department's calculation of Claimant's *group's* net income of \$780 is incorrect as well. See BEM 536, pp. 4-5. Because the Department improperly calculated the group's net income, the Department did not act in accordance with Department policy when it calculated the deductible in Claimant's case.


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 in accordance with Department policy when it calculated Claimant's MA deductible.

Accordingly, the Department's decision is REVERSED.

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

1. Begin recalculating Claimant's deductible for June 1, 2012, ongoing in accordance with Department policy and consistent with this Hearing Decision;
2. Provide Claimant with MA coverage she is eligible to receive from June 1, 2013, ongoing; and
3. Notify Claimant in writing of its decision.



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

Date Signed: August 6, 2013

Date Mailed: August 7, 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

ACE/pf

2013-47953/ACE

cc:

