

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

**IN THE MATTER OF:**

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

Reg No.: 2013-54404  
Issue No.: 2026, 3000  
Case No.: 1 ██████████ 5  
Hearing Date: July 22, 2013  
Wayne County DHS (19)

**ADMINISTRATIVE LAW JUDGE:** Colleen M. Mamelka

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on Monday, July 22, 2013. Claimant appeared, along with ██████████, and testified. Participating on behalf of the Department of Human Services ("Department") was ██████████ and ██████████ n.

**ISSUE**

Whether the Department properly determined Claimant's Medical Assistance ("MA") eligibility as of July 1, 2013.

**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 MA recipient.
2. In April 2013, Claimant's brother gave her \$ ██████████ 0 to assist her with medications and to allow her son to participate in a study abroad program.
3. On May 14, 2013, the Department converted MA coverage under the Low Income Family ("LIF") to MA coverage based on Claimant's status as a caregiver of a minor child.

4. In June 2013, the Department notified Claimant that she would be required to meet a [REDACTED] monthly deductible for continued MA coverage.
5. On June 21, 2013, the Department received Claimant's timely written request for hearing.

### **CONCLUSIONS OF LAW**

As a preliminary matter, Claimant requested a hearing regarding both Medical Assistance and Food Assistance Program ("FAP") benefits. During the hearing, Claimant testified she no longer wished to pursue anything related to FAP benefits. Accordingly, Claimant's request for hearing regarding FAP benefits is DISMISSED.

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. Department policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Tables ("RFT").

Deductible is a process which allows a client with excess income to become eligible for Group 2 MA coverage if sufficient allowable medical expenses are incurred. BEM 545 (July 2011), p. 8. Each calendar month is a separate deductible period. BEM 545, p. 8. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible for the calendar month tested. BEM 545, p. 9. The group must report expenses by the last day of the third calendar month following them month in which the group wants MA coverage. BEM 545, p. 9.

Income, to include unearned income, is considered when determining MA eligibility. BEM 500 (January 2013), p. 3.

In this case, the Claimant was a MA recipient without a deductible. In June 2013, the Department included [REDACTED] in income that Claimant received from her brother in April 2013. Claimant testified credibly that once a year, Claimant's brother gives her money in order to allow her son to participate in the People to People Ambassador Program. Claimant's brother also gives money to Claimant to help pay for some of her medications. The money received in April far exceeds what Claimant normally receives. In addition to funds provided to Claimant by her brother, Claimant also receives child support. The imposition of the deductible was based on income received once a year and thus, does not accurately reflect Claimant's ongoing monthly income. In light of the foregoing, the Department's MA determination cannot be upheld.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Department failed to establish it acted in accordance with policy when it determined Claimant's MA eligibility based on income received once a year.

Accordingly, it is ORDERED:

1. The Department's MA determination is REVERSED.
2. The Department shall initiate evaluating Claimant's MA eligibility effective July 1, 2013 to include Claimant's regular unearned income.
3. The Department shall notify Claimant of the determination in accordance with Department policy.
4. The Department shall supplement for lost MA benefits that Claimant was entitled to received, but did not, if otherwise eligible and qualified, and in accordance with Department policy.
5. Claimant's request for hearing regarding FAP benefits is DISMISSED.

*Colleen M. Mamelka*

---

Colleen M. Mamelka  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: July 23, 2013

Date Mailed: July 24, 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.

2013-54404/CMM

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

CMM/tm

cc:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]