

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-58438  
Issue No.: 2015  
Case No.: [REDACTED]  
Hearing Date: August 29, 2013  
County: Oakland DHS (02)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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 August 29, 2013, from Detroit, Michigan. Participants included the above-named claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist, and Sabrina Morris, Specialist.

**ISSUE**

The issue is whether DHS properly determined Claimant's Medical Assistance (MA) eligibility, effective [REDACTED]/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. Claimant was an ongoing MA benefit recipient receiving ongoing Medicaid.
2. Claimant's Medicaid eligibility was based on Transitional Medical Assistance (TMA).
3. Claimant received weekly gross employment income of (see Exhibits 5-6): \$285 on [REDACTED]/13, \$480 on [REDACTED]/13, \$285 on [REDACTED]/13 and \$180 on [REDACTED]/13.
4. On [REDACTED]/13, DHS mailed Claimant a Notice of Case Action (Exhibits 2-4) informing Claimant of a determination that he was eligible for Medicaid subject to a \$438 monthly deductible, effective [REDACTED]/2013.
5. On [REDACTED]/13, Claimant requested a hearing to dispute the MA benefit determination.

## **CONCLUSIONS OF LAW**

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. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

Claimant requested a hearing to dispute a reduction in MA coverage. It was not disputed that Claimant was a Medicaid recipient based on TMA eligibility.

Families may receive TMA for up to 12 months when ineligibility for Low-Income-Family (LIF) relates to income from employment of a caretaker. BEM 111 (10/2012), p. 1. It was not disputed that the MA determination dispute followed 12 months of TMA eligibility for Claimant. Thus, Claimant was properly deemed ineligible for Medicaid, at least based on TMA eligibility.

LIF is a FIP-related category. It was not definitively established that Claimant was ineligible for LIF. It can be safely ruled-out based on Claimant's LIF ineligibility following the beginning of employment and the relatively low income requirements. The only likely applicable MA category left is Group 2 Caretaker (G2C). Income calculations for all Group 2 MA categories are located within BEM 536.

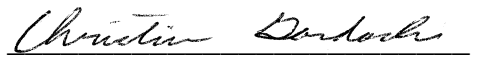
For MA benefits, DHS is to not budget income from an extra check. BEM 530 (10/2012), p. 2. In other words, there is not a proration done to convert income into a 30-day period when DHS determines MA benefit eligibility. Adding Claimant's weekly income results in a total monthly income of \$1230. A \$90 disregard is applied to gross employment income making Claimant's running countable income to be \$1140. The running countable income is divided by the sum of 2.9 and Claimant's number of dependents (1 biological minor child). Dividing \$1230 by 3.9 creates a prorated share of income of \$292 (dropping cents). The adult's prorated income is multiplied by 2.9 to create the adult's share of the adult's own income of \$846 (dropping cents). DHS allows deductions for insurance premiums, remedial services and ongoing medical expenses; none of these expenses were alleged. The income limit for G2C eligibility is \$408. RFT 240 (7/2007), p. 1. It is found that DHS properly did not find Claimant eligible for Medicaid under the G2C program.

A recipient with excess income for ongoing Medicaid may still be eligible for Medicaid under the deductible program. Clients with a Medicaid deductible may receive Medicaid if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month.

The amount that Claimant's total net income (\$846) exceeds the income limit (\$408) for G2C is the amount of Claimant's deductible. It is found that Claimant's Medicaid deductible is \$438, the same amount as calculated by DHS (see Exhibit 1).

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly determined Claimant to be eligible for Medicaid subject to a \$438 deductible, effective 8/2013, following the end of TMA eligibility. The actions taken by DHS are AFFIRMED.

  
Christian Gardocki  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 9/20/2013

Date Mailed: 9/20/2013

**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

2013-58438/CG

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

CG/hw

cc:

