

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

IN THE MATTER OF:

[REDACTED]

Reg No.: 2013-9313
Issue No.: 2026, 3000
Case No.: [REDACTED]
Hearing Date: January 31, 2013
Wayne County DHS (35)

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 Thursday, January 31, 2013. The Claimant appeared and testified. Participating on behalf of the Department of Human Services ("Department") was [REDACTED].

ISSUE

Whether the Department properly calculated the Claimant's Medical Assistance ("MA") deductible and food assistance ("FAP") benefits?

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 was a MA and FAP recipient.
2. In October 2011, the Department reviewed the Claimant's case.
3. During review, the Department discovered that the Claimant's spouse's unearned income was not considered in determining MA and FAP eligibility. (Exhibit 8)
4. The Department included the spouse's income resulting in a reduction of FAP benefits and a change in the MA benefit program. (Exhibits 2 – 4)

5. On October 12, 2012, the Department sent a Notice of Case Action to the Claimant informing her that her FAP benefits were reduced to \$93.00 and the MA deductible would be \$817.00 effective November 1, 2012. (Exhibit 6)
6. On October 29, 2012, the Department received the Claimant timely written request for hearing.

CONCLUSIONS OF LAW

As a preliminary matter, during the hearing, the Claimant testified that she now understood and accepted why the FAP benefits were reduced to \$93.00/month. As such the Department's FAP calculation is AFFIRMED.

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").

Income is the major determiner of which category an individual falls under. BEM 165, p. 1. Effective April 1, 2012, to be eligible for full coverage AD-Care/QMB, income cannot exceed \$931 for a group size of one and \$1,261.00 for a group size of two. RFT (May 2012), p. 1.

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.

In this case, the Claimant was a MA recipient without a deductible. During review of the Claimant's case, the Department discovered that, although the Claimant properly reported it, the spouse's Veteran's compensation was not considered when determining MA eligibility. The Department included the unearned income resulting in the Claimant's MA case changing from full-coverage to G2S with a deductible. The spouse's income exceeds the income limit for full MA coverage under the AD-Care program. In light of the foregoing, it is found that the Department established it acted in accordance with policy when it included the spouse's income when determining the Claimant's MA eligibility which resulted in a change of MA coverage to G2S with a deductible. The Department's actions are AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Department established it acted in accordance with policy when determining the Claimant's MA and FAP eligibility.

Accordingly, it is ORDERED:

The Department's MA and FAP determinations are AFFIRMED.

Colleen M. Mamelka

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

Date Signed: February 7, 2013

Date Mailed: February 7, 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.

2013-9313/CMM

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:

