

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

IN THE MATTER OF:



Reg. No.: 2014-17773
Issue No(s): 2001
Case No.: [REDACTED]
Hearing Date: March 17, 2014
County: Wayne (76)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on March 17, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and Claimant's Authorized Hearing Representative (AHR), [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly deny Claimant's Medical Assistance (MA) benefits effective January 1, 2014, 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 was an ongoing recipient of MA benefits.
2. Claimant failed to meet his MA - Group 2 Spend-Down (G2S) deductible in the amount of \$923 from October 2013 to December 2013.
3. On December 2, 2013, the Department sent Claimant a Notice of Case Action notifying him that his MA benefits were denied effective January 1, 2014, ongoing, due to him not meeting his deductible in at least one of the last three months. See Exhibit 1.

4. On December 10, 2013, Claimant filed a hearing request, protesting his MA denial. See Exhibit 1.
5. On February 13, 2014, the Michigan Administrative Hearing System (MAHS) sent Claimant a Notice of Hearing, which scheduled him for a hearing on February 27, 2014. See Exhibit 1.
6. On February 27, 2014, an Administrative Law Judge sent Claimant an Order Granting Adjournment. Exhibit 1.
7. On March 5, 2014, a Notice of Hearing was sent to Claimant regarding his rescheduled hearing on March 17, 2014. Exhibit 1.

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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

G2S is an SSI-related category. BEM 166 (July 2013), p. 1. MA is available to a person who is aged (65 or older), blind or disabled. BEM 166, p. 1. All eligibility factors must be met in the calendar month being tested. BEM 166, p. 1. Income eligibility exists when net income does not exceed the Group 2 needs. BEM 166, p. 2. If the net income exceeds Group 2 needs, MA eligibility is still possible. BEM 166, p. 2.

The Department redetermines eligibility for active deductible cases at least every 12 months unless the group has not met its deductible within the past three months. BEM 545 (July 2013), p. 11.

If a group has not met its deductible in at least one of the three calendar months before that month and none of the members are QMB, SLM or ALM eligible, the Department will automatically notify the group of closure. BEM 545, p. 11.

The Department will close an active deductible case when any of the following occur:

- No one in the group meets all nonfinancial eligibility factors.
- Countable assets exceed the asset limit.
- The group fails to provide needed information or verification.

Exception: Do not close the case just because the group fails to verify sufficient allowable medical expenses to meet its deductible.

- The group does not return the redetermination form.
- You cannot locate any of the group members.

BEM 545, p. 13. The Department uses adequate notice to close the case. BEM 545, p. 13.


In the present case, Claimant was an ongoing recipient of MA benefits. Claimant failed to meet his MA – G2S deductible in the amount of \$923 from October 2013 to December 2013. On December 2, 2013, the Department sent Claimant a Notice of Case Action notifying him that his MA benefits were denied effective January 1, 2014, ongoing, due to him not meeting his deductible in at least one of the last three months. See Exhibit 1. At the hearing, Claimant and his AHR did not dispute that he failed to meet his deductible from October 2013 to December 2013. The AHR testified that Claimant had medical expenses, but mistakenly did not submit them to the Department. The Department testified that it last received submitted medical expenses in September 2013.

Based on the foregoing information and evidence, the Department properly closed Claimant's MA benefits effective January 1, 2014, ongoing, in accordance with Department policy. Claimant and his AHR agreed that he mistakenly failed to meet his deductible from October 2013 to December 2013. As such, the Department acted in accordance with Department policy when it properly closed Claimant's MA benefits effective January 1, 2014, ongoing, due to him not meeting his deductible in at least one of the last three months. BEM 545, pp. 11-13.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it properly closed Claimant's MA benefits effective January 1, 2014, ongoing.

Accordingly, the Department's MA decision is AFFIRMED.


Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 31, 2014

Date Mailed: March 31, 2014

NOTICE OF APPEAL: 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.

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).

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

EJF/tlf

cc:

