

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

IN THE MATTER OF:

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

Reg. No.: 2014-31247
Issue No.: 2001
Case No.: ██████████
Hearing Date: APRIL 14, 2014
County: Wayne County DHS(18)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 April 14, 2014, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant's Authorized Hearing Representative, ██████████. Participants on behalf of the Department of Human Services (Department) included ██████████, ES and ██████████, Assistance Payments Supervisor.

ISSUE

Did the Department properly impose (MA) coverage under the Group 2 S Disabled program and provide Claimant with MA coverage subject to a monthly ██████ deductible?

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 Department recalculated Claimant's MA eligibility and imposed a deductible in January 2014 of ██████ and for January 2014, a deductible of ██████. The Claimant was receiving at the time RSDI in the amount of ██████ in December 2013, and ██████, January 2014, the Claimant also received a pension in the amount of \$1█████0 Exhibit 3.
2. On December 2, 2013 the Department issued a Notice of Case Action, notifying Claimant that, effective January 1, 2014 the Claimant's Medical Assistance (MA) deductible would be ██████ monthly deductible. Exhibit 1

3. The Department subsequently recalculated the deductible for January 2014 and determined the Deductible to be [REDACTED]. Exhibit 3 pp. 1
4. The Claimant submitted a deductible report and listed expenses of [REDACTED] for personal care services. At the time only [REDACTED] in personal care services were authorized by Department of Community Health (DCH).
5. On May 24, 2013, Claimant filed a hearing request, disputing the Department's actions.

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.

The issue in this case is whether the Department correctly determined that the Claimant was subject to a [REDACTED] deductible for January and \$810 deductible for January 2014. and whether the Department correctly calculated the deductible. The Deductible as explained below is based upon the total household income.

MA Deductible

In this case, Claimant verified her gross monthly RSDI income of [REDACTED] for January 2014 to be [REDACTED] which is the amount she receives from Social Security from RSDI. The Claimant also receives \$ [REDACTED] from a pension. The total amount of unearned income of [REDACTED] used to determine the deductible as determined by the Department is correct. The Department testified that, although Claimant was not eligible for full-coverage MA, she was eligible for MA with a monthly [REDACTED] deductible. Clients are eligible for Group 2 MA coverage when their net income (countable income minus allowable income deductions) does not exceed the applicable Group 2 MA protected income levels (PIL), which is based on the client's shelter area and fiscal group size. BEM 105 (October 1, 2010), p 1; BEM 166 (October 1, 2010), pp 1-2; BEM 544 (August 1, 2008), p 1; RFT 240 (July 1, 2007), p 1. The monthly PIL for an MA group size of one living in Wayne County is \$ [REDACTED] per month. RFT 200 (July 1, 2007), p 1; RFT 240, p 1. Thus, if Claimant's net income is in excess of \$ [REDACTED], she may become eligible for MA assistance under the deductible program, with the deductible equal to the amount that her monthly income exceeds [REDACTED]. BEM 545 (July 1, 2011), p 2.

In this case, the Department produced two SSI-Related MA budget showing how the deductible in Claimant's case was calculated. The Department conceded that the budget that was initially calculated was incorrect as the Medicaid Part B premium was counted twice. When the correction was made deducting the [REDACTED] to correct for the

double counting of the Part B Premium, the deductible as calculated by the department is correct. As discussed above, Claimant's net unearned income totaled \$ [REDACTED] and after deducting a \$20 [REDACTED] exclusion, the net unearned income is [REDACTED]. BEM 530 (October 1, 2012), p 1; BEM 541 (January 1, 2011), p 3.

Because Claimant's net income of \$ [REDACTED] for MA purposes exceeds the monthly protected income level of \$ [REDACTED] it is determined that the Department properly calculated Claimant's monthly [REDACTED]0 MA deductible in accordance with Department policy. A review of the medical expenses submitted on behalf of the Claimant indicates that the Claimant's expenses did not exceed the [REDACTED]0 deductible for January 2014 as the Department correctly could only included the \$ [REDACTED] Personal Care Services not \$ [REDACTED] as submitted by the Claimant's AHR. Exhibit 2, pp. 3.

The evidence at the hearing showed that Claimant had presented medical expenses which included a charge for person care services in the amount of [REDACTED]. At the time, the personal care amount approved by the Department of Community Health (DCH) was [REDACTED]. At the hearing, the Claimant's AHR wished to contest the amount of the personal care services for authorized for January 2014 as her mother required more care. As explained at the hearing, the Department of Human Services cannot change the amount and a new care amount must be redetermined by DCH. See BEM 541; BEM 544. At the time of the hearing, the Claimant was hospitalized and no new personal care service amount could be determined as DCH could not review the required care level. The Department did indicate once a new personal care service amount is determined, a new determination and review will be made to determine if authorized medical expenses using any new PCS amount would cause the deductible to be met for January 2014.

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 acted in accordance with Department policy when it calculated that the Claimant was subject to a monthly [REDACTED] deductible.

Accordingly, the Department's MA decision establishing a deductible is AFFIRMED.



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: April 17, 2014

Date Mailed: April 17, 2014

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.

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

LMF/tm

cc: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]