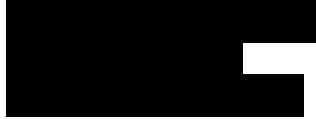


**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES**

**IN THE MATTER OF:**



Reg. No.: 14-005706  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: September 04, 2014  
County: Bay County DHS

**ADMINISTRATIVE LAW JUDGE:** Gary Heisler

**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 September 4, 2014, from Lansing, Michigan. Participants on behalf of Claimant included himself and his spouse [REDACTED]. Participants on behalf of the Department of Human Services (Department) included ES [REDACTED] and AP Supervisor [REDACTED].

**ISSUE**

Did the Department properly determine Claimant's Medical Assistance eligibility on June 3, 2014?

**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 based on disability under the AdCare category.
2. On June 3, 2014, Claimant's spouse, Cheryl, began receiving Retirement, Survivors, Disability Income. Claimant was sent a Health Care Coverage Determination Notice (DHS-1606) which stated he was no longer eligible for the program he was on but was eligible for a spend down.
3. On June 4, 2014, Claimant was sent a Quick Note (DHS-100) which explained that Claimant was not eligible for Healthy Michigan Plan because he receives Medicare but was eligible for a Medicaid spend down of \$ [REDACTED].
4. On June 19, 2014, Claimant submitted a hearing request.

**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 Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case the Department calculated the combined annual income for Claimant and Cheryl as the basis that Claimant was not eligible for Healthy Michigan Plan. The Department then did a financial eligibility budget under the Medicaid Group 2 caretaker category and determined Claimant had a \$1,086 spend down.

Claimant raised the issue of whether or not his children should be included in his Medical Assistance benefit group. Modified Adjusted Gross Income (MAGI) Related Eligibility Manual at page 12 under household composition states that for a tax filer, the household includes tax dependents. It also states that for a non-tax filer the household includes the individual's natural, adopted and step children under 19 or under 21 if a full time student. The Department presented no evidence showing that Claimant's household for determining MAGI related eligibility should not include the children in the household.

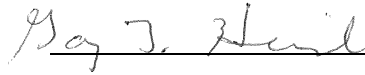
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined Claimant's Medical Assistance eligibility on June 3, 2014.

### **DECISION AND ORDER**

Accordingly, the Department's decision is **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Claimant's Medical Assistance and re-determine MA eligibility from July 1, 2014 ongoing in accordance with Department policy.

  
\_\_\_\_\_  
Gary Heisler  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **10/2/2014**

Date Mailed: **10/2/2014**

GFH/hj

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

cc:



