

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-006166
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: October 28, 2014
County: Kent (1) (Franklin)

ADMINISTRATIVE LAW JUDGE: Darryl Johnson

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 three-way telephone hearing was held on October 28, 2014, from Lansing, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included Hearings Facilitator [REDACTED], Assistance Payments Supervisor [REDACTED], and Eligibility Specialist [REDACTED].

ISSUE

Did the Department properly determine Claimant's Medical Assistance (MA) eligibility?

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 on-going MA recipient.
2. Claimant reported to the Department on June 13, 2014, that she was pregnant, with an expected due date of December 31, 2014.
3. The Department reviewed Claimant's group income and approved her for MA-G2P with a spend-down of [REDACTED] per month.
4. The Department received Claimant's hearing request on June 24, 2014

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.

When the Department calculates eligibility for MA, it takes into account, among many other factors, the earned and unearned income the Claimant's group receives. Exhibit 1 Page 8 is the Health Care Coverage Determination Notice dated May 28, 2014. Exhibit 1 Page 3, reflects the Claimant's income as well as her husband's, along with the budget calculating the deductible.

The Department's witness testified that the Claimant should have been enrolled in the Healthy Kids Program (HKP) because she is pregnant, but for some unexplained reason, the Bridges system has enrolled her in the MA-G2P. HKP is described in BEM 125 (7/1/13). There is no current version of that manual listed in the Online Policy Manuals. At the time this decision is being drafted, the BEMs skip from 124 to 126. For this decision, the 7/1/13 BEM will be used. BEM 125, at 2, defines income eligibility to not exceed 185% of the poverty level, with reference to RFT 246. The latest RFT 246 (4/1/14) does not reference HKP. RFT 256 (12/1/13) puts 185% of the poverty level for a group of 3 at [REDACTED]. The Claimant is in a group of 3. See Exhibit 1 Page 3.

Claimant provided copies of two pay stubs from her part-time job, and two pay stubs from her husband's full-time job. (Exhibit 1 Pages 4-7.) She is paid twice each month, and he is paid bi-weekly. She received [REDACTED] net, out of [REDACTED] gross, in one of those two paychecks, and [REDACTED] gross and [REDACTED] net in the other. Her gross earnings for the month were [REDACTED], and her net earnings were [REDACTED]. His gross pay was [REDACTED] and his net was [REDACTED] for the bi-weekly period ending [REDACTED]. His gross was [REDACTED] and net was [REDACTED] for the bi-weekly period ending [REDACTED]. His total gross was [REDACTED] for the month, and his net was [REDACTED]. The Department policy is to consider the group's net income. See BEM 125 at 1. When the two net income totals are combined, they add up to [REDACTED]. That is clearly below the income limit of [REDACTED]. Additionally, BEM 125 at page 2 instructs the Department as follows: "Disregard all parental income for all pregnant women applying

¹ Per BEM 530 (1/1/14), "If prospecting income based on bi-weekly or twice a month payments, multiply by 2. If prospecting income based on weekly pay, multiply by 4."

for or receiving MA under the Healthy Kids for Pregnant Women category.” Claimant has satisfied the income eligibility requirements for the HKP. The Department indicated that a help ticket has been submitted, but the correction has not been implemented to provide Claimant with benefits under HKP.


The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it provided Claimant with benefits under MA-G2P rather than HKP.

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:

The Department shall initiate the recertification and reprocessing of Claimant’s application for MA benefits as of June 13, 2014.



Darryl Johnson
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **11/6/2014**

Date Mailed: **11/6/2014**

DJ/jaf

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:

