

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-014067  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: February 19, 2015  
County: Genesee-District 6

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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, telephone hearing was held on February 19, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] as the Claimant's authorized hearing representative and sister of the Claimant. Participants on behalf of the Department included [REDACTED] as hearing facilitator.

**ISSUE**

Did the Department properly determine the level of Medical Assistance (MA) benefits the Claimant has been approved for?

**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 an ongoing Medical Assistance (MA) recipient as a group of two under the AD-CARE category until October 31, 2014.
2. The Claimant is an ongoing Medicare Savings Program recipient.
3. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED] (rounded to the nearest dollar).
4. On May 1, 2014, the Claimant's wife move out of his home.
5. On September 25, 2014, the Department notified the Claimant that he was approved for Medical Assistance (MA) under the G2S category as of November 1, 2014, with a \$ [REDACTED] monthly deductible.
6. On October 6, 2014, the Department received the Claimant's request for a hearing protesting the level and category of Medical Assistance (MA) he is receiving.

## 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.

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (July 1, 2014).

The Claimant was an ongoing Medical Assistance (MA) as a group of two under the AD-CARE category. At that time, the Claimant was receiving monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED]. Based on this income, the Claimant was eligible to receive Medical Assistance (MA) under the AD-CARE category since his monthly income less the \$ [REDACTED] general exclusion was less than the \$ [REDACTED] income limit for a group of two. Department of Human Services Reference Table Manual (RFT) 242 (April 1, 2013), pp 1-2.

On May 1, 2014, the Claimant's wife moved out of his home and the Department initiated a redetermination of his eligibility to receive continuing Medical Assistance (MA) benefits based this change of circumstances.

As of November 1, 2014, the Claimant was receiving Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED]. The Department determined that the Claimant was no longer eligible to receive Medical Assistance (MA) under the AD-CARE category because as a group of one, his income exceeded the \$ [REDACTED] limit after a \$ [REDACTED] general exclusion was deducted from his monthly income. Department of Human Services Reference Table Manual (RFT) 242 (October 1, 2014), pp 1-2.

The Claimant received Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED] which is reduced by a \$ [REDACTED] general exclusion deduction and allowable medical expenses, which consisted of the Claimant's \$ [REDACTED]


Medicare premium. Claimant's "protected income level" is \$ [REDACTED] and this amount cannot be changed either by the Department or by this Administrative Law Judge. Department of Human Services Reference Table Manual (RFT) 240 (December 1, 2013), p 1. Department's determination that the Claimant has a \$ [REDACTED] deductible per month he must meet in order to qualify for MA for any medical expenses above is therefore correct.

The Claimant had been an ongoing recipient of Medicare Savings Program benefits under the QMB category. When the Claimant's income as a group of one exceeded the limit to receive AD-CARE benefits, he also became ineligible for the QMB program as well. The Claimant is eligible to receive benefits under the limited-coverage SLMB category of the Medicare Savings Program.

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 closed the Claimant's full Medical Assistance (MA) benefits under the AD-CARE and QMB categories, and placed him in the G2S and SLMB programs with a \$ [REDACTED] monthly deductible for the G2S Medicaid.

### **DECISION AND ORDER**

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

  
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Kevin Scully  
Administrative Law Judge  
for Nick Lyon, Acting DHS Director  
Department of Human Services

Date Signed: **3/2/2015**

Date Mailed: **3/2/2015**

KS/las

**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:

