

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-014985
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: January 28, 2015
County: Antrim

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 January 28, 2015, from Lansing , Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] as hearing facilitator.

ISSUE

Did the Department properly close the Claimant's Medical Assistance (MA) benefits?

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.
2. On July 8, 2014, a New Hire Notice was sent to the Claimant with a due date of July 18, 2014.
3. On July 22, 2014, the Department notified the Claimant that it would close her Medical Assistance (MA) benefits.
4. On July 25, 2014, the Department sent the Claimant's employer a Verification of Employment (DHS-38) form that was returned the same day.
5. On October 16, 2014, the Department notified the Claimant that it would close her Medical Assistance (MA) benefits as of August 31, 2014.
6. On October 16, 2014, the Department received the Claimant's request for a hearing protesting the closure of her Medical Assistance (MA) benefits.

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) recipient when the Department discovered that the Claimant had started new employment. On July 8, 2014, the Department sent the Claimant a New Hire Notice requesting verification of her new source of income by July 18, 2014. This form was received by the Department but was found to be illegible. On July 22, 2014, the Department sent the Claimant notice that it would close her Medical Assistance (MA) benefits.

On July 25, 2014, the Department sent the Claimant's employer a Verification of Employment (DHS-38) form that was returned the same day. Based on the information reported by the Claimant's employer, the Department determined that the Claimant is not eligible for Medical Assistance (MA) effective August 31, 2014.

The Claimant's employer reported to the Department that she was employed at a rate of \$ [REDACTED] per hour and would be working 30 to 90 hours per week. The Claimant's actual earnings were \$ [REDACTED] on July 18, 2014, and \$ [REDACTED] on July 25, 2014. Based on this information, the Department determined that the Claimant is not eligible for Medical Assistance (MA) under the Health Michigan Program (HMP) due to excess income.


The Claimant testified that this income is higher than she expected to earn throughout the entire year due to the nature of her employment.

Since the Claimant's employment was new, there was no basis for the Department to determine that her earned income would not continue. The Department prospected her income based on her actual earnings verified by her employer and was acting in accordance with policy when it used this projected income to close the Claimant's Medical Assistance (MA) benefits.

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 Medical Assistance (MA).

DECISION AND ORDER

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



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

Date Signed: **2/9/2015**

Date Mailed: **2/9/2015**

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:

