

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2014-10972
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: December 5, 2013
County: Wayne (76)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 December 5, 2013, from Detroit, Michigan. Participants included the above-named Claimant. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly determined Claimant's eligibility for Medical Assistance (MA).

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Beginning [REDACTED]/2012, Claimant received Medicaid through Transitional Medicaid Assistance (TMA).
2. Claimant was a member of a household that also included a minor child.
3. Claimant received the following biweekly gross employment income: \$738 on [REDACTED]/13, \$492 on 1 [REDACTED] 1/13 and \$574 on [REDACTED]/13.
4. On [REDACTED]/13, DHS terminated Claimant's Medicaid eligibility, effective [REDACTED]/2013, due to a termination of TMA eligibility.

5. On [REDACTED]/13, Claimant requested a hearing to dispute the termination of Medicaid.
6. On [REDACTED]/13, DHS determined Claimant to be eligible for Medicaid subject to a \$350 deductible.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant requested a hearing to dispute a termination of Medicaid eligibility. DHS stated that Claimant's Medicaid eligibility ended because she was no longer eligible to receive Medicaid through the TMA program.

Families may receive TMA for up to 12 months when ineligibility for LIF (Low-Income Family) relates to income from employment of a caretaker. BEM 111 (7/2013), p. 1. During the hearing, DHS obtained an Eligibility Summary, which verified that Claimant received Medicaid through TMA since [REDACTED]/2012. Accordingly, DHS properly terminated Claimant's Medicaid eligibility beginning [REDACTED]/2013.

Claimant may still be eligible for Medicaid through another MA program. Clients may qualify under more than one MA category. BEM 105 (10/2010), p. 2. Federal law gives them the right to the most beneficial category. *Id.* The most beneficial category is the one that results in eligibility or the least amount of excess income. *Id.* As a non-disabled caretaker to minor children, Claimant is potentially eligible for Medicaid through the Low Income Family (LIF) and Group Two Caretaker (G2C) programs.

Allowable LIF expenses include: employment income deductions, dependent care expenses child support expenses and guardianship expenses. It was not disputed that Claimant's only income was earned income; thus, Claimant was eligible for an earned income deduction.

As a TMA recipient for the 12 months prior to [REDACTED]/2013, Claimant could not have received FIP or LIF. Thus, Claimant is eligible for a \$200 + 20% earned income deduction (see BEM 110 (7/2013), p. 20). Applying the earned income deduction to Claimant's 10/2013 income results in a countable income of \$692.80. The LIF income limit for a two-person LIF group is \$413/month. RFT 243 (7/2007), p. 1. Thus, Claimant is not eligible for LIF.


As a caretaker to minor children, Claimant could also receive Medicaid through G2C. The net income calculation starts with determining Claimant's pro-rated income. This is calculated by dividing Claimant's income (\$1066) by a pro-rated divisor. The pro-rated divisor is the sum of 2.9 and the number of dependents (one for Claimant's minor child). Claimant's pro-rated income is \$273. DHS calculated a lower and more favorable pro-rated income for Claimant (\$250). For purposes of this decision, the more favorable amount for Claimant will be accepted as correct.

The adult's pro-rated income is multiplied by 2.9 to determine the adult's share of the adult's own income (\$725). Deductions are given for insurance premiums, remedial services and ongoing medical expenses. Claimant did not allege having such expenses. The income limit for G2C eligibility is \$375. RFT 240 (7/2007), p. 1. The amount that Claimant's net income exceeds the income limit is the amount of Claimant's deductible. Claimant's deductible is found to be \$350, the same amount calculated by DHS.

Claimant testified that she had regular monthly medical expenses and could not afford to be without Medicaid. Unfortunately, Claimant's medical expenses do not affect the amount of Claimant's deductible. Claimant's medical expenses can be submitted to DHS and Medicaid coverage can be triggered each month that Claimant meets the deductible.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly determined Claimant to be eligible for Medicaid subject to a \$350/month deductible. The actions taken by DHS are **AFFIRMED**.


Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 12/10/2013

Date Mailed: 12/10/2013
12/10/2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted 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 Department, AHR or the claimant 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 the hearing decision is mailed.

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

CG/hw

cc:

