

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2014-16780
Issue No(s): 2008
Case No.: [REDACTED]
Hearing Date: February 27, 2014
County: Oakland-03

ADMINISTRATIVE LAW JUDGE: DARRYL T. 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 telephone hearing was held on February 27, 2014, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist [REDACTED].

ISSUE

Did the Department properly calculate Claimant's Medicaid (MA) deductible?

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. When Claimant first applied for MA on November 11, 2011, he submitted outstanding medical bills to be considered in determining his benefits.
3. Claimant receives Retirement, Survivors, and Disability Income (RSDI) of \$ 1 [REDACTED] per month.
4. Claimant has asked the Department to consider outstanding bills he has with [REDACTED] (Exhibit 1 Pages 15-24) in determining his current benefits.
5. The bills Claimant submitted are for services provided between July 8, 2009 and September 16, 2013.
6. The Department has calculated Claimant's deductible to be \$ [REDACTED], which Claimant testifies that he cannot afford based on his income.

7. Claimant requested a hearing on December 2, 2013.

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 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.

When the Department calculates eligibility for medical assistance it takes into account, among many other factors, the earned and unearned income the Claimant receives.

It is not within the scope of the Administrative Law Judge's authority to create new guidelines, eligibility criteria, or deductibles that the Department is to use. The issues that can be decided are whether the Department followed policy with respect to each program, based upon the existing rules, laws, policies, etc.

Exhibit 1 Page 10 provides the budget used by the Department in calculating Claimant's monthly MA deductible for November 1, 2013. It accounts for his unearned income of \$ [REDACTED], which is reduced by two adjustments to \$ [REDACTED]. The protected income limit per RFT 240 for a group of two in Shelter Area VI is \$541 and, after subtracting that from his countable income, his deductible is \$513.

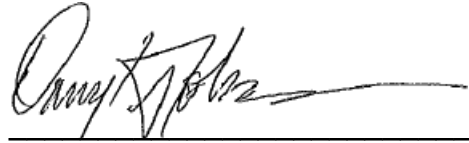
The Claimant did not dispute the amounts used by the Department in his budget. His issue is with the determination that he must pay a deductible of \$ [REDACTED] each month toward his medical expenses. The issue before this Administrative Law Judge is not whether he can afford his deductible; it is to adjudicate whether the deductible was properly calculated beginning November 1, 2013. There is no evidence that the Department erred in its calculation of Claimant's FAP benefits after taking into account his monthly income and expenses.

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 calculated Claimant's MA deductible.

¹ The exhibits provided by the Department do not explain why Claimant is part of a group of two; no other individuals are identified in the Notice of Case Action. Per RFT 200, Oakland County is in Shelter Area VI, which provides the highest Protected Income Limit in RFT 240.

DECISION AND ORDER

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



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

Date Signed: February 28, 2014

Date Mailed: February 28, 2014

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.

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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

DTJ/las

cc:

