

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

IN THE MATTER OF:

██████████
████████████████████
████████████████████

Reg. No.: 2014-3614
Issue No(s): 2001
Case No.: ██████████
Hearing Date: January 15, 2014
County: Oakland (63-03)

ADMINISTRATIVE LAW JUDGE: Jonathan W. Owens

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, an in-person hearing was held on January 15, 2014, from Walled Lake, Michigan. Participants on behalf of Claimant included ██████████. Participants on behalf of the Department of Human Services (Department) included ██████████.

ISSUE

Did the Department properly terminated Claimant's ongoing Medical Assistance (MA) benefits and properly determine eligibility for deductible-based 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. On September 19, 2013, MORC sent a notice indicating Claimant's Mi-Choice Waiver ended on September 16, 2013.
2. On September 20, 2013, the Department issued a case action notice indicating Claimant was no longer eligible for ongoing MA benefits and instead opened an MA deductible case for Claimant effective November 1, 2013.
3. On September 27, 2013, Claimant's representative requested a hearing on a request for hearing form attached to the notice of case action dated September 20, 2013. The request indicated protesting the action taken on 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 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.

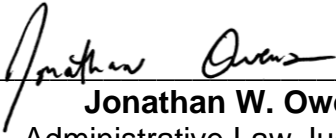
In the instant case the Department received a notice on September 19, 2013, from MORC indicating Claimant's Mi-Choice Waiver ended on September 16, 2013. Based upon this change of level of care, the Department ended coverage. The Department completed an MA budget and, based upon the reported income, determined Claimant had excess income for MA and, therefore, opened a deductible MA case for Claimant. The Department determined that Claimant's unearned income was \$1,245. The Department disregarded \$161.08 in insurance premium waivers from this income and concluded Claimant had \$1,083 in countable income. The protected need amount as determined by policy is \$408. After subtracting this amount from Claimant's countable income, Claimant was left with a \$675 deductible. The amount of unearned income was not disputed at hearing.

The Department issued a case notice on September 20, 2013. This notice included a closure reason that indicated Claimant was not aged. However, the Department at hearing testified the notice generated from the system has a known bug which improperly lists the reasons for closure. The Department explained the process at hearing indicating the level of care change triggered the MA closure which triggered the category change which resulted in the income Claimant's receives now being considered.

After reviewing the policy and evidence submitted, this Administrative Law Judge finds the Department correctly determined the change in level of care and the required categorical change in MA coverage which resulted in an MA-deductible case. The Department properly determined the deductible based upon the information provided.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.



Jonathan W. Owens
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: February 3, 2014

Date Mailed: February 3, 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.

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

JWO/pf

cc:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]