

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-016717  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: January 07, 2015  
County: Oakland-District 2

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**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 Wednesday, January 7, 2015, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant and her daughter and authorized representative, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED], APW and [REDACTED], APSup.

**ISSUE**

Did the Department properly deny Claimant's application 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. Claimant applied for: MA benefits of Medicaid and the Medical Savings Program (MSP).
2. On November 10, 2014, the Department denied Claimant's application due to not meeting basic criteria for the MSP and a deductible of \$ [REDACTED] per month for Medicaid.
3. On November 10, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
4. On November 18, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's actions.

### 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), and Department of Human Services Reference Tables Manual (RFT).

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.

Additionally, the Claimant applied for MA and the MSP on September 24, 2014. Department Exhibit 2-18. The Claimant received \$ [REDACTED] in Social Security RSDI benefits and \$ [REDACTED] from an Annuity for a gross monthly unearned income of \$ [REDACTED] Department Exhibit 20-23. On November 10, 2014, the Department sent the Claimant a notice that she was denied for MSP and had a medical deductible for MA due to excess income of \$ [REDACTED] Department Exhibit 31-32.

As a result of her excess income for MA AD-Care, the Claimant was determined eligible for a MA Deductible case. The Claimant had income of \$ [REDACTED] After deductions of a \$ [REDACTED] unearned income general exclusion and a protected income of \$ [REDACTED] cola of \$ [REDACTED] and insurance premiums of \$ [REDACTED] the Claimant had a deductible of \$ [REDACTED] that she must meet before being eligible for MA. Department Exhibit a-b. BEM 165 and 211.

During the hearing, the Department Caseworker stated that the Department had erred in denying the Claimant's MSP application. She is eligible retroactive to her application date of September 24, 2014 for MSP. In addition, the Claimant was found eligible for MA retroactive to June 2014 through August 2014 because no income was inputted for the Claimant due to Department error. The Department Caseworker stated that there would be no recoupment since it was due to Department error for MA. However, the Claimant has a deductible of \$ [REDACTED] that she must meet effective September 2014.

The Department has met its burden. The Claimant had excess income for MA AD-Care, which resulted in the Claimant being eligible for MA with a deductible of \$ [REDACTED] that she must meet before being eligible for MA. She is eligible for MSP retroactive to September 2014.

The Administrative Law Judge, based upon 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 determined that the Claimant had excess income for MA Ad Care, resulting in a MA deductible of \$ [REDACTED] and corrected their error where the Claimant is eligible for MSP retroactive to September 2014.

**DECISION AND ORDER**

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

*Carmen G. Fahie*

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**Carmen G. Fahie**  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **1/13/2015**

Date Mailed: **1/13/2015**

CGF/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 48909-8139

cc:

