

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-005074
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: May 19, 2015
County: Jackson

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 May 19, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] and [REDACTED], the Claimant's son. Participants on behalf of the Department included [REDACTED] Family Independence Manager, and [REDACTED], Eligibility Specialist.

ISSUE

Did the Department of Health and Human Services (Department) properly determine the 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. The Claimant is an ongoing Medical Assistance (MA) recipient.
2. On February 23, 2015, the Claimant submitted a Redetermination (DHS-1010).
3. On March 3, 2015, the Department requested that the Claimant provide verification of any donations or contributions she is receiving.
4. On March 16, 2015, the Department notified the Claimant that she is eligible for continuing Medical Assistance (MA) benefits but that her deductible would be \$ [REDACTED].
5. On March 25, 2015, the Department received the Claimant's request for a hearing protesting a reduction to her Medical Assistance (MA) benefits.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

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 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 (April 1, 2015).

All gross income is considered countable unless excluded by policy. Department policy allows for exclusion of third party assistance in BEM 500, Income Overview.

Payment of an individual's bills by a third party directly to the supplier using the third party's money is not income to the individual.

If the third party is paying the bill instead of paying money due the individual such as money owed for child support or owed on a loan, the payment is the individual's unearned income.

Exceptions: Exclude any portion of a payment that a court order or other legally binding agreement requires sending directly to an individual's creditor or service supplier.

Exclude voluntary spousal support used to pay the spouse's bill(s).

Example: Sally's ex-husband, Joe, pays Sally's rent. Joe uses his own money. Joe does not owe Sally any money. The payment is not income to Sally.

Example: Sally told her ex-husband it was acceptable to pay her rent instead of paying court-ordered spousal support to her. The payment is Sally's income.

A donation to an individual by family or friends is the individual's unearned income. The Department counts the gross amount actually received, if the individual making the donation and the recipient are not members of any common eligibility determination group. Department of Health and Human Services Bridges Eligibility Manual (BEM) 503 (July 1, 2014), p 10.

The Claimant is an ongoing MA recipient under the G2S category. The Department would include a spouse in her MA benefit group but would not include her son. Department of Health and Human Services Bridges Eligibility Manual (BEM) 211 (January 1, 2015), pp 4-6.

After reviewing the Claimant's eligibility for continuing benefits, the Department requested that the Claimant provide verification of the source and nature of a series of reoccurring deposits into her account. The Claimant provided the Department with a signed statement from her son that he makes deposits into his mother's savings account every week for the purposes of buying groceries and other expenses.

No evidence was received on the record that the Claimant's son is paying any household expenses directly but that he is transferring money to his mother's account directly. Therefore, these funds cannot be considered to be third party assistance.

The Department properly classified the payments as donations and that the son is not a member of the Claimant's MA benefit group, or any other active benefit group. Therefore, the money the Claimant receives from her son has been properly classified as a donation from a person outside the benefit group, and is considered countable unearned income.

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 determined the Claimant's eligibility for Medical Assistance (MA) under the G2S category with a \$ [REDACTED] deductible.

DECISION AND ORDER

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



Kevin Scully
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **5/27/2015**

Date Mailed: **5/27/2015**

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 48909-8139

cc:

