

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

**IN THE MATTER OF:**

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

Reg. No.: 15-013046  
Issue No.: 2007  
Case No.: ██████████  
Hearing Date: September 17, 2015  
County: Wayne (19)

**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 September 17, 2015, from Detroit, Michigan. Participants included the above-named Claimant. Participants on behalf of the Michigan Department of Health and Human Services (MDHHS) included ██████████, hearing facilitator.

**ISSUE**

The issue is whether MDHHS properly terminated Claimant's Medical Assistance (MA) eligibility due to Claimant's failure meet a deductible for a 3-month period.

**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 ongoing MA recipient eligible for Medicaid subject to a \$██████ /month deductible.
2. Claimant did not meet her deductible in over 3 months.
3. On June 12, 2015, MDHHS terminated Claimant's MA eligibility, effective July 2015, due to Claimant failing to meet her deductible in over 3 months.
4. On July 16, 2015, Claimant requested a hearing to dispute the termination of MA benefits.

## CONCLUSIONS OF LAW

Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. MDHHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Claimant's hearing request indicated that she protested a denial of insurance. No evidence indicated that Claimant recently applied for MA benefits. During the hearing, Claimant was asked why she requested a hearing; Claimant's response provided little insight into her motivation.

Claimant testified that she had Medicaid in 2013. Claimant testified she applied for "Obama's insurance" in July of 2014. Claimant testified that she was told that she could not apply because she was "linked-in" with MDHHS medical coverage. Claimant also testified that she was told in 2013 by an unspecified MDHHS representative that she had to wait 2 years before she could apply for Medicaid. Claimant then stated she wanted a hearing to get back the Medicaid she had from 2 years earlier. Claimant then stated she actually requested a hearing in response to a letter she received from MDHHS telling her that her MA eligibility was ending. Claimant's final statement of motivation will be accepted as the reason why she requested a hearing.

MDHHS presented a Health Care Coverage Determination Notice (Exhibits 1-4) dated June 12, 2015. The letter stated that Claimant's MA eligibility would end due to a Medicaid deductible not being met in 3 months.

Deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. BEM 545 (January 2015), p. 10). Each calendar month is a separate deductible period. *Id.* The fiscal group's monthly excess income is called the deductible amount. *Id.*, p. 11. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month. *Id.*, p. 11. The client must report medical expenses by the last day of the third month following the month in which the group wants MA coverage. *Id.*

[MDHHS is to] redetermine eligibility for active deductible cases at least every 12 months unless the group has not met its deductible within the past three months. *Id.*, p. 11. If a group has not met its deductible in at least one of the three calendar months before that month and none of the members are QMB, SLM or ALM eligible, Bridges will automatically notify the group of closure. *Id.*

Claimant testimony conceded that she had not submitted medical expenses in the three months before MA closure. Claimant also testified that she was not even aware she had a Medicaid deductible or how it worked. There was also no evidence that Claimant was eligible for Medicare Savings Programs such as QMB, SLM, or ALM.

It is found that Claimant failed to submit medical expenses equaling or exceed her deductible in the three months before MA closure. Accordingly, it is found that MDHHS properly terminated Claimant's MA eligibility, effective July 2015.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly terminated Claimant's MA eligibility, effective July 2015, due to Claimant not meeting her Medicaid deductible in over 3 months. The actions taken by MDHHS are **AFFIRMED**.



**Christian Gardocki**

Administrative Law Judge  
for Nick Lyon, Director

Department of Health and Human Services

Date Signed: **9/18/2015**

Date Mailed: **9/18/2015**

CG/tm

**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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]