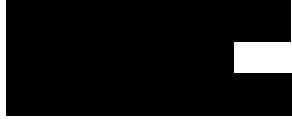


**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**IN THE MATTER OF:**



Reg. No.: 15-010296  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: August 04, 2015  
County: Wexford

**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 August 04, 2015, from Lansing, Michigan. Participants on behalf of Claimant included Michelle Posma. 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 deny the 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. On March 18, 2015, the Department received the Claimant's application for Medical Assistance (MA) with retroactive benefits through December 1, 2014.
2. On March 20, 2015, the Claimant received a paycheck in the gross amount of \$ [REDACTED]
3. On December 26, 2015, the Claimant received a paycheck in the gross amount of \$ [REDACTED]
4. On March 30, 2015, the Department notified the Claimant that it had denied Medical Assistance (MA) as of December 1, 2014.
5. On April 6, 2015, the Department notified the Claimant that it had denied Medical Assistance (MA) as of March 1, 2015.

6. On May 28, 2015, the Department received the Claimant's request for a hearing protesting the denial of her Medical Assistance (MA) application.

### **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).

The 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. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

The income limit to participate in the Healthy Michigan Plan (HMP) is 133% of the federal poverty level. Department of Health and Human Services Reference Table Manual (RFT) 246 (April 1, 2014), p 1.

An employee's regular wages paid during a vacation or illness are counted as earned income. Department of Health and Human Services Bridges Eligibility Manual (BEM) 501 (July 1, 2014), p 6.

Retroactive benefits under the HMP must be for April 2014 or later if the client is not a Medicare recipient, and is at least age 19 and under 65. Department of Human Services Bridges Assistance Manual (BAM) 115 (January 1, 2015), p 13.

The Department will determine eligibility for each retroactive MA month separately. To be eligible for a retroactive MA month, the person must:

- Meet all financial and nonfinancial eligibility factors in that month, and
- Have an unpaid medical expense incurred during the month, or
- Have been entitled to Medicare Part A. BAM 115, p 13-14.

On March 18, 2015, the Department received the Claimant's MA application with a request for retroactive benefits through December 1, 2014. On March 20, 2015, the Claimant received a paycheck in the gross amount of \$ [REDACTED]. This paycheck consisted of donated time but Department policy classifies this type of income as earned income. The monthly income limit for a group of one to receive HMP benefits is \$ [REDACTED]. Therefore, the Claimant was not eligible to receive HMP benefits in March of 2015.

The evidence presented on the record indicates that the Claimant received earned income in the gross amount of \$ [REDACTED] from December 26, 2015, through March 6, 2015. This Administrative Law Judge finds that the evidence does not support a finding that the Claimant's income exceeds the limit to receive HMP benefits for each of the months where retroactive benefits were requested.

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 did not act in accordance with Department policy when it denied the Claimant's Medical Assistance (MA) application as of December 1, 2015.

### **DECISION AND ORDER**

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA) as of December 1, 2015.
2. Provide the Claimant with a Notice of Case Action (DHS-1605) describing the Department's revised eligibility determination.
3. Issue the Claimant any retroactive benefits she may be eligible to receive, if any.



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

Date Signed: **8/10/2015**

Date Mailed: **8/10/2015**

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:

