

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

**IN THE MATTER OF:**

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

MAHS Reg. No.: 15-020494  
Issue No.: 2001  
Agency Case No.: ██████████  
Hearing Date: January 25, 2016  
County: Macomb-District 20

**ADMINISTRATIVE LAW JUDGE: Zainab Baydoun**

**HEARING DECISION**

Following Petitioner'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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on January 25, 2016, from Detroit, Michigan. Petitioner appeared for the hearing and represented herself. The Department was represented by ██████████, Assistance Payment Worker.

**ISSUE**

Did the Department properly process Petitioner's Medical Assistance (MA) benefits and calculate the amount of her husband and child's monthly deductible?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner's husband and child were ongoing recipients of MA benefits.
2. In connection with a redetermination, Petitioner's group's eligibility to receive MA benefits was reviewed.
3. On October 2, 2015, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that effective September 1, 2015, her husband was eligible for MA with a monthly deductible of \$1459 and that her child was eligible for MA with a monthly deductible of \$1946. (Exhibit A)
4. On October 27, 2015, Petitioner requested a hearing disputing the Department's actions with respect to her husband and child's 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).

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 Department testified that after processing Petitioner's redetermination, it determined that Petitioner's husband was eligible for MA under the G2C program with a monthly deductible of \$1459 effective September 1, 2015, and that her child was eligible for MA under the G2U program with a monthly deductible of \$1946. The Department notified Petitioner of the MA eligibility by sending her a Health Care Coverage Determination Notice on October 2, 2015. (Exhibit A; Exhibit B).

Additionally, individuals are eligible for Group 2 MA coverage when net income (countable income minus allowable income deductions) does not exceed the applicable Group 2 MA protected income levels (PIL), which is based on shelter area and fiscal group size. BEM 132 (January 2015), pp. 1-2; BEM 135 (January 2015), p 1,3; BEM 544 (July 2013), p 1; BEM 545 (January 2015); RFT 200 (December 2013); RFT 240 (December 2013), p 1. A fiscal group is established for each person requesting MA and budgetable income is determined for each fiscal group member. BEM 211 (January 2015); BEM 536 (January 2014).

In determining a person's eligibility and their fiscal group, however, the only income that may be considered is the person's own income and the income of the following persons who live with the client: the client's spouse, and the client's parents if the client is a child. This means that a child's income cannot be used to determine a parent's eligibility. BEM 211 (January 2015), p.5. Therefore, in the case of Petitioner's husband, monthly PIL for his two person fiscal group (Petitioner and her husband) living in Macomb County is \$541 per month. BEM 211, pp.5-6; RFT 200, p 1; RFT 240, p 1. With respect to Petitioner's child, the fiscal group is three (Petitioner, her husband and child) and the PIL is \$567.

A multi-step process is then utilized when determining a fiscal group member's income and deductible. BEM 536, pp. 1-7. Thus, if Petitioner's husband's net monthly income is in excess of the \$541 and her child's net income is in excess of \$567, they may become

eligible for assistance under the deductible program, with the deductible being equal to the amount that the monthly income exceeds \$541 and \$567, respectively. BEM 545, p 1.

The Department presented a G2C FIP Related MA Adult Net Income Budget and a G2U FIP Related Child Net Income Budget which was reviewed to determine if the Department properly calculated the amount of Petitioner's husband's and child's deductible. (Exhibit B). The Department also presented Petitioner and her husband's pay stubs and tax information which was reviewed to determine the starting income for MA purposes. (Exhibit C; Exhibit D).

Upon further review and in consideration of the steps contained in BEM 536, the Department properly calculated Petitioner's husband's net income of \$2000 and her child's net income of \$2513. BEM 536, pp. 1-7. Because Petitioner's husband's net income of \$2000 exceeds \$541, the applicable PIL by \$1459, the Department calculated Petitioner's husband's \$11459 monthly deductible in accordance with Department policy. Because Petitioner's child's net income of \$2513 exceeds \$567, the applicable PIL by \$1946, the Department calculated Petitioner's child's \$1946 monthly deductible in accordance with Department policy.

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 processed Petitioner's husband and child's MA benefits.

Petitioner raised some concerns at the hearing regarding MA eligibility for her daughter, however, Petitioner was informed that because she did not indicate on her hearing request that she was disputing the Department's actions regarding her daughter's MA eligibility, the issue could not be addressed during the current hearing. Petitioner was informed that she was entitled to apply for MA benefits for her daughter or request a hearing if she disputes the Department's negative actions with respect to her daughter's MA eligibility.

**DECISION AND ORDER**

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



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**Zainab Baydoun**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **2/19/2016**

Date Mailed: **2/19/2016**

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**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]