



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

MIKE ZIMMER
DIRECTOR

[REDACTED]

Date Mailed: March 22, 2016
MAHS Docket No.: 16-000509
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, telephone hearing was held on March 10, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included [REDACTED] and his attorney [REDACTED] of [REDACTED]. [REDACTED] (Assistance Payments Supervisor) represented the Department of Health and Human Services (Department). Witnesses on behalf of the Department included [REDACTED] (Case Worker).

ISSUE

Did the Department of Health and Human Services (Department) properly determine that the Petitioner is not eligible under the AD-CARE category of Medical Assistance (MA) benefits?

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 Petitioner is an ongoing Medical Assistance (MA) recipient.
2. The Petitioner receives a gross monthly income of \$ [REDACTED] as of December 1, 2015.
3. On October 29, 2015, the Department notified the Petitioner that he was eligible for Medical Assistance (MA) benefits with a \$ [REDACTED] deductible effective December 1, 2015.
4. On March 10, 2016, the Department received the Petitioner's request for a hearing.

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.

Income eligibility exists for MA benefits under the AD-Care category when net income does not exceed the income limit in Reference Table Manual (RFT) 242. Income eligibility cannot be established with a patient-pay amount or by meeting a deductible. The Department will determine countable income according to SSI-related MA policies in BEM 500 and 530 except as explained in "COUNTABLE RSDI" in BEM 163. Department of Health and Human Services Bridges Eligibility Manual (BEM) 163 (July 1, 2013), p 2.

Countable RSDI for fiscal group members is the gross amount for the previous December when the month being tested is January, February or March. Federal law requires that the cost-of-living increase received in January be disregarded for these three months. For all other months, countable RSDI is the gross amount for the month being tested. Id.

For a group of one, the income limit to receive AD-CARE benefits is \$1,000.83 effective April 1, 2015. Department of Health and Human Services Reference Table Manual (RFT) 242 (May 1, 2015), p 1.

The Petitioner is an ongoing MA recipient with a gross monthly income of \$[REDACTED] which was not disputed during the hearing. On October 29, 2015, the Department notified the Petitioner that he was not eligible for "full" MA benefits under the AD-CARE category but would receive Group 2 MA benefits with a \$[REDACTED] patient deductible.

The Petitioner's representative argued that he should be eligible for MA benefits without a deductible as of January 1, 2016, because his income is less than the federal poverty level for that month.

It is not disputed that the Department will exclude the cost of living allowance granted by the Social Security Administration on Retirement, Survivors, and Disability Insurance (RSDI) benefits.

However, this Administrative Law Judge finds that the financial eligibility factors outlined in BEM 163 require the Department not only to exclude the COLA increase but to apply the income limit in place on December 1 for the first three months of the year.

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 Petitioner's eligibility for Medical Assistance (MA) as of January 1, 2016.

DECISION AND ORDER

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

KS/las



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

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

DHHS

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]