



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: April 25, 2016  
MAHS Docket No.: 16-002677  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Susanne E. Harris

### **HEARING DECISION**

Following the 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 April 19, 2016, from Lansing, Michigan. The Petitioner, [REDACTED], appeared and testified. The Department of Health and Human Services (Department) was represented by Family Independence Manager, [REDACTED] and Eligibility Specialist, [REDACTED].

The following exhibits were offered and admitted into evidence:

Department: A--Bridges SOLQ.  
B--Bridges budget.  
C--December 8, 2015, Health Care Coverage Determination Notice.

### **ISSUE**

Did the Department properly take action to reduce the Petitioner's full Medical Assistance (MA) case to one with a 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. The Petitioner was an ongoing recipient of MA and Medicare benefits.
2. On December 8, 2015, the Department completed a new budget for the Petitioner based on an update of COLA for RSDI income.

3. On December 8, 2015, the Department sent to the Petitioner a Health Care Coverage Determination Notice indicating that she is eligible for full coverage Medicare Savings Program. There is no notice in evidence informing the Petitioner of her monthly deductible of \$ [REDACTED].
4. On February 26, 2016, the Department received the Petitioner's written hearing request protesting the reduction in her 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.

Additionally, Bridges Eligibility Manual (BEM) 137 (2015) p. 1, provides that recipients of Medicare are not eligible for Healthy Michigan Plan (HMP). RFT 242 further provides that the income limit for a one person group for ad-care MA and full-coverage QMB is \$1000.83. The Petitioner has RSDI income of \$ [REDACTED]. The Department's testimony is that the Petitioner is over the income limit for ad-care. RFT 242 contains the following notation, "Income limits are 100% of the Federal Poverty Level + \$20 disregard." During the hearing, the Department could not testify as to whether the \$20 disregard had been applied to the Petitioner's case. Also, this Administrative Law Judge finds it curious that the Department sent the Petitioner a Health Care Coverage Determination notice indicating that the Petitioner is eligible for full coverage QMB, which has the same income limit as ad-care, per RFT 242. Lastly, there is no Health Care Coverage Determination Notice in evidence establishing a deductible.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it took action to reduce the Petitioner's MA benefits.

**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. Redetermine the Petitioner's MA benefits back to January 1, 2016, and
2. issue the Petitioner any supplement she may thereafter be due, and
3. issue the Petitioner a new eligibility notice, and
4. the Petitioner retains the right to request a hearing upon the Department's new determination.

SH/mc



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**Susanne E. Harris**  
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]

**Petitioner**

[REDACTED]