



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: October 13, 2016  
MAHS Docket No.: 16-011007

[REDACTED]  
[REDACTED]

**ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie**

**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 September 14, 2016, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by [REDACTED], Assisted Payments Supervisor.

**ISSUE**

Did the Department properly determine that the Petitioner had excess income for Medical Assistance (MA) resulting in a MA 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 a recipient MA with a semiannual certification due.
2. On July 20, 2016, the Department made the determination that due to Department error that a medical expense had been incorrectly inputted as an ongoing medical expense of [REDACTED] per month that resulted in a new budget being run that resulted in a medical deductible of [REDACTED]. Department Exhibit 1, pg. 10-11.
3. On July 20, 2016, the Department sent the Petitioner a notice that effective September 1, 2016, that he would have a medical deductible of [REDACTED] that he had to meet before becoming MA eligible. Department Exhibit 1, pgs. 14-19.

4. On July 29, 2016, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

### **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.

In this case, the Petitioner was a recipient MA with a semiannual certification due. On July 20, 2016, the Department made the determination that due to Department error that a medical expense had been incorrectly inputted as an ongoing medical expense of [REDACTED] per month that resulted in a new budget being run that resulted in a medical deductible of [REDACTED]. Department Exhibit 1, pg. 10-11. On July 20, 2016, the Department sent the Petitioner a notice that effective September 1, 2016, that he would have a medical deductible of [REDACTED] that she had to meet before becoming MA eligible. Department Exhibit 1, pgs. 14-19. On July 29, 2016, the Department received a hearing request from the Petitioner, contesting the Department's negative action. BEM 150, 163, 166, 503, 530, 541, and 545. BAM 210, 220, and 402.

During the hearing, the Department stated that through Department error a one-time monthly expense was inputted incorrectly as an ongoing medical monthly expense, which resulted in the Petitioner being eligible incorrectly for MA. As a result of the Petitioner's Mid-certification Contact, a new MA budget was run for the Petitioner. Based on the Petitioner's income of [REDACTED] from [REDACTED], the Petitioner had excess income for MA Ad Care, which was limit to [REDACTED].

As a result of his excess income for MA AD-Care, the Petitioner was determined eligible for a MA Spenddown/Deductible case for a household group size of 1. The Petitioner had [REDACTED] income from [REDACTED] of [REDACTED]. After deductions of a [REDACTED] unearned income general exclusion, insurance premiums of [REDACTED], and a protected income of [REDACTED] the Petitioner had a deductible of [REDACTED] that he must meet before being eligible for MA. Department Exhibit 1, pg. 11. The Department has met its burden that the Petitioner is eligible for MA with a deductible of [REDACTED] that he must meet before being eligible for MA and that the Petitioner had excess income for MA AD-Care.

**DECISION AND ORDER**

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 that the Petitioner is eligible for MA with a deductible of [REDACTED] that he must meet before being eligible for MA and that the Petitioner had excess income for MA AD-Care.

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

*Carmen G. Fahie*

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**Carmen G. Fahie**  
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

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]