



RICK SNYDER
GOVERNOR

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

MIKE ZIMMER
DIRECTOR



Date Mailed: March 17, 2016
MAHS Docket No.: 16-000312
Agency No.: [REDACTED]
Petitioner: [REDACTED].

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 March 10, 2016, from Detroit, Michigan. The Petitioner was represented by Petitioner. [REDACTED], Petitioner's sister also appeared at the hearing. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly provide Claimant with Medical Assistance (MA) coverage subject to a \$926.00 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 is an ongoing MA recipient.
2. On [REDACTED], the Department sent Petitioner a Health Care Coverage Determination Notice informing him that he was approved for MA coverage subject to a \$568.00 deductible.
3. On [REDACTED], Petitioner filed a Request for Hearing disputing the Department's actions.

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 Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, clients are eligible for Group 2 MA coverage when their net income less any allowable needs deductions exceeds the applicable Group 2 MA protected income levels (PIL), which is based on the client's shelter area and fiscal group size. BEM 105 (October 2014), p. 1; BEM 166 (July 2013), p. 2; BEM 544 (July 2013), p. 1; RFT 240 (December 2013), p. 1. In such cases, the client is eligible for Group 2 MA coverage under the deductible program with the deductible equal to the amount that the client's monthly income exceeds the PIL. BEM 545 (October 2015), p. 10.

The monthly PIL for an MA fiscal group size of one living in Macomb County is \$408.00 per month. RFT 200 (December 2013), pp. 1-2; RFT 240, (December 2013) p 1. Thus, if Claimant's net income is in excess of \$408.00, he may become eligible for MA assistance under the deductible program, with the deductible equal to the amount that his monthly income exceeds \$408.00. There is no dispute that Claimant's monthly income exceeded \$408.00 and thus he is eligible for Group 2 MA benefits under the deductible program.

In this case, Claimant's RSDI income is \$1,200.00 per month. The Department alleged that based upon the RSDI income, Petitioner's deductible amount would be \$568.00. When calculating Claimant's deductible amount, the Department is required to count as a need item the cost of any health insurance premiums and Medicare premiums paid by Petitioner. (BEM 544 (July 2013), p. 1. The Department properly excluded the Medicare premiums for the budget to because the State pays these benefits. Petitioner was given a deduction for medical expenses in the amount of \$203.90. After the

appropriate deductions are taken, Petitioner's net income is \$976.00. Further, because Claimant's net income of \$976.00 exceeds the \$375.00 PIL by \$568.00, the Department acted in accordance with it concluded Claimant is eligible for MA subject to a \$568.00 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 did not act in accordance with Department policy when it when it closed her ALMB case due to excess income.

DECISION AND ORDER

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

JM/



Jacquelyn A. McClinton
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]