



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 6, 2016  
MAHS Docket No.: 16-012520

[REDACTED]  
[REDACTED]

**ADMINISTRATIVE LAW JUDGE: Vicki Armstrong**

**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 October 5, 2016, from Lansing, Michigan. Petitioner personally appeared and testified.

The Department of Health and Human Services (Department) was represented by Eligibility Specialist [REDACTED] [REDACTED] testified on behalf of the Department. The Department submitted 10 exhibits which were admitted into evidence. The record was closed at the conclusion of the hearing.

**ISSUE**

Did the Department properly determine that Petitioner has a [REDACTED] Medicaid 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. On June 9, 2016, the Department automatically updated Petitioner's Medicaid benefits and issued a Health Care Coverage Determination Notice informing her that she had a Medicaid deductible effective July 1, 2016, of [REDACTED] per month. [Resp. Exh. 5-7].
2. On July 20, 2016, the Department determined through a Medicaid budget that Petitioner only had a [REDACTED] deductible. [Resp. Exh. 8].

3. On August 25, 2016, Petitioner submitted a request for hearing. [Resp. Exh. 4].

### **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, Eligibility Specialist [REDACTED] credibly testified that Petitioner's Medicaid deductible was [REDACTED], not the [REDACTED] indicated on the June 9, 2016 Health Care Coverage Determination Notice. Petitioner requested an explanation as to why her provider bills were not being paid for August and September, 2016. [REDACTED] explained that Petitioner met her deductible for August 16 through August 31, 2016, but the deductible was not certified by the Department for that time period until September 27, 2016. Therefore, when Petitioner's provider submitted the August bills on September 2 and September 9, 2016, the bills were not paid. [REDACTED] explained that if Petitioner's provider resubmitted bills for the time period of August 16 through August 31, 2016, they would be paid. [REDACTED] stated that Petitioner did not meet her deductible in the month of September. Petitioner had no further questions.

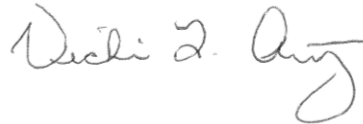
### **DECISION AND ORDER**

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it found that Petitioner's deductible was [REDACTED] when according to the Medicaid budget and [REDACTED] testimony, the correct deductible is [REDACTED].

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. Issue a Health Care Coverage Determination Notice to Petitioner indicating the correct deductible amount of [REDACTED] in accordance with Petitioner's Medicaid budget.



VLA/db

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**Vicki Armstrong**  
 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]  
 [REDACTED] [REDACTED]  
 [REDACTED] [REDACTED]