



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: December 2, 2016  
MAHS Docket No.: 16-015710

[REDACTED]  
[REDACTED]

**ADMINISTRATIVE LAW JUDGE: Aaron McClintic**

**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 November 23, 2016, from Lansing, Michigan. The Petitioner was represented by his wife and household member [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED] Eligibility Specialist. Department Exhibit 1, pp.1-7 was received and admitted.

**ISSUE**

Did the Department properly determine Petitioner’s Medical Assistance deductible amount?

**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 was eligible for Medicaid with a deductible.
2. On October 11, 2016, a Benefit Notice was issued to Petitioner informing him that his Medicaid would end on October 31, 2016 and that he would have a [REDACTED] deductible beginning on November 1, 2016.
3. On October 18, 2016, Petitioner requested hearing disputing the deductible amount.
4. Petitioner and her husband have unearned income of [REDACTED] per month. Petitioner’s also had [REDACTED] in rental income.

### 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, Petitioner has unearned income of [REDACTED] in the form of a social security benefits and [REDACTED] in rental income. After the [REDACTED] unearned income exclusion, Petitioner has [REDACTED] per month net unearned income. The protected income limit is [REDACTED]. Subtracting [REDACTED] from [REDACTED] results with a deductible of [REDACTED] per month. This is consistent with the determination made by the Department. Therefore the Department's determination of G2S coverage with a [REDACTED] deductible is proper and correct. BEM 541 Petitioner raised an issue with regard to rental income being included in the deductible determination when they no longer have a renter, but the Petitioner had not reported the loss of rental income prior to hearing. Petitioner testified that they have very high prescription drug costs and that their high deductible will put them in difficult financial circumstances. It was explained that the undersigned Administrative Law Judge can only review the Department action and determine if it comports with Department policy and there is no authority or jurisdiction to override Department policy based on the individual circumstances of the Petitioner.

### 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 Petitioner's MA deductible amount.

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



**Aaron McClintic**

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]