



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: January 17, 2017  
MAHS Docket No.: 16-016468

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**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 December 20, 2016, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by ██████████ ES and ██████████ FIM. Department Exhibit 1, pp. 1-12 was received and admitted.

**ISSUE**

Did the Department properly determine Petition's Medical Assistance (MA) benefits?

**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 a recipient of MA benefits.
2. Petitioner receives ██████████ per month in social security benefits.
3. Petitioner was found to be eligible for MA with a ██████████ deductible.
4. On October 28, 2016, Petitioner requested hearing contesting his MA deductible amount.

## **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.

### **RULES FOR MA GROUP 2 INCOME ELIGIBILITY**

Use the following rules to determine MA Group 2 income eligibility.

The individual must be given the most advantageous use of their old bills (also known as incurred expenses). The individual may request coverage for the current month, up to six future months (see eligibility based on old bills in this item), and for any prior months.

Use the budgeting rules in BEM 530. Determine income eligibility in calendar month order, starting with the oldest calendar month.

Use BEM 546 to determine the post-eligibility patient-pay amount (PPA) for each L/H month that a beneficiary is Group 2 eligible.

Determine Medicare Savings Program eligibility separately for Group 2 beneficiaries entitled to Medicare Part A (see BEM 165).

Request information about **all** medical expenses incurred during and prior to each month with excess income.

Notify the group of the outcome of each determination. **NOTIFICATION** explains which forms to use and when.

## MONTHS WITHOUT EXCESS INCOME

Income eligibility exists for the entire month tested when the group does **not** have excess income.

For **L/H months**, also go to BEM 546 to determine the post-eligibility PPA.

## MONTHS WITH EXCESS INCOME

Income eligibility exists for all or part of the month tested when the **medical group's** (defined in BEM 544, **EXHIBIT I**) allowable medical expenses (BEM 545, EXHIBIT I) equal or exceed the fiscal group's excess income. The **NON-L/H** and **L/H** sections that follow list the exact order in which to subtract specific types of these allowable expenses. BEM 545 (October 2016)

In this case, Petitioner has unearned income of [REDACTED] in the form of a social security benefits. 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 545 Petitioner testified that has significant expenses that are not considered when determining his eligibility and deductible amount and that his high deductible will put him 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**.



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Aaron McClintic  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

[REDACTED]

**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]

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[REDACTED] [REDACTED]