



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: January 24, 2017  
MAHS Docket No.: 16-017668  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Darryl Johnson

**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 January 12, 2017, from Lansing, Michigan. The Petitioner appeared on his own behalf. The Department of Health and Human Services (Department) was represented by Eligibility Specialist [REDACTED] [REDACTED] and Hearings Facilitator [REDACTED] [REDACTED]

**ISSUE**

Did the Department properly deny payment for home help for the month of October 2016?

**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 approved for MA, in the Group 2 Spend-down (G2S) program, beginning July 1, 2016, with a monthly deductible. (Exhibit A Pages 4-8.)
2. Petitioner met his deductibles for the month of June 2016 (Page 1) and July 2016 (Page 8).
3. His deductible was \$ [REDACTED] per month beginning August 18, 2016, and then \$ [REDACTED] per month beginning December 1, 2016. (Pages 1-3.)

4. For October 2016 the Department denied payment of adult medical services at his home due to excess income; he is eligible for Group 2 Spend-down deductible.
5. On November 17, 2016, Petitioner submitted a hearing request, protesting the Department's refusal to pay for in-home care.

### **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.

BEM 530 (1/1/14) is the applicable policy for "MA Income Budgeting." The Department is to use that manual "for any person whose income is considered in determining income eligibility or a post-eligibility patient-pay amount." *Id.* at 1. "Income means a benefit or payment received by an individual which is measured in money. It includes money an individual owns even if not paid directly such as income paid to a representative." BEM 500 (1/1/16) p. 3. "Gross income is the amount of income before any deductions such as taxes or garnishments. This may be more than the actual amount an individual receives." *Id.*, p. 4. Even if child support is taken out of the gross income, the Department is still to count the amount paid for child support as gross income. *Id.*, p. 5.

In this case, Petitioner receives unearned income of \$ [REDACTED] per month. Exhibit A Page 3. He is given deductions for an unearned income general exclusion, and insurance premiums. He also is allowed a \$ [REDACTED] protected income limit, leaving him with a monthly deductible of \$ [REDACTED]. On August 18, 2016, Petitioner submitted a deductible report (Exhibit A Page 11) reporting \$ [REDACTED] in expenses for "[REDACTED], [REDACTED]," \$ [REDACTED] for "[REDACTED], [REDACTED]," and \$ [REDACTED] for "Personal Quality Care." He reported \$ [REDACTED] in disability benefits and \$586.67 from [REDACTED] as his only income. (Exhibit A Page 12.) When Petitioner reported his income, he explained that he only reported the income he received because money was being taken out for child support obligations. When he submitted his expenses, he reported that "[REDACTED] was providing in home care, but it was someone named [REDACTED] who was providing the care and not [REDACTED] [REDACTED]"

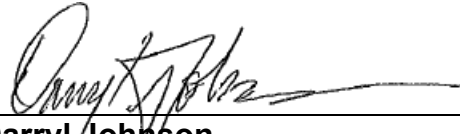
██████████ is not a Medicaid registered provider. Therefore, those two expenses could not be counted toward his deductible. Those two expenses accounted for \$██████████ of his \$██████████ in reported expenses for August, leaving him with only \$██████████ in countable expenses. That did not meet his \$██████████ monthly deductible.

**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 monthly deductible.

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

DJ/mc



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**Darryl Johnson**  
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]

[REDACTED]

[REDACTED]

[REDACTED]

**Petitioner**

[REDACTED]