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

RICK SNYDER
GOVERNOR

SHELLY EDGERTON
DIRECTOR

Date Mailed: March 17, 2017
MAHS Docket No.: 17-000813
Agency No.: ███████
Petitioner: ███████

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, an in person hearing was held on ██████████████████████████████████ Michigan. The Petitioner was represented by Petitioner. The Department of Health and Human Services (Department) was represented by ███████, Family Independence Manager and ███████, Assistance Payment Worker.

ISSUE

Did the Department properly close Petitioner's Medical Assistance (MA) benefits effective ███████?

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 was deemed eligible for MA benefits subject to a deductible in the amount of ██████.

3. Petitioner failed to meet his deductible from ████████████████████████

4. On ▓▓▓▓▓▓▓▓▓▓▓▓▓ the Department sent Petitioner a Health Care Coverage Determination Notice which informed Petitioner that his MA benefits would close effective ▓▓▓▓▓▓▓▓▓▓

5. On ▓▓▓▓▓▓▓▓▓▓▓▓, 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.

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 (January 2014), p. 1; BEM 544 (July 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 (July 2013), p. 10.

In this case, it appears that Petitioner filed a Request for Hearing because he believed that his ▓▓▓▓▓▓▓▓ medical bills would not be paid. The Department testified that Petitioner had been approved for MA benefits subject to a deductible in the amount of ▓▓▓▓▓. Because Petitioner was subject to a deductible, he was required to incur monthly costs in the amount of ▓▓▓▓▓▓ before his MA benefits would become active.

Under Department policy, if a group has not met its deductible in at least one of the three calendar months before that month **and** none of the members are QMB, SLMB or ALMB eligible, the Department is required to initiate closure of benefits. BEM 545 (January 2017), p. 12. Petitioner acknowledged that he did not submit any medical bill to meet his deductible after ▓▓▓▓▓▓▓. Petitioner testifeid that he did not incur costs over the required $▓▓▓▓ monthly amount. In ▓▓▓▓▓▓▓▓, Petitioner submitted bills from ▓▓▓▓▓▓▓, ▓▓▓▓▓▓▓▓▓, and ▓▓▓▓▓▓▓▓ which when added together, amounted to more than $▓▓▓▓. The Department testified that it could use the prior bills to cover the costs of his ▓▓▓▓▓▓▓ bills.
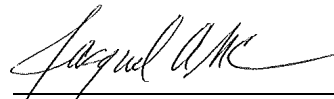
The undersigned is required to determined whether the Department properly deterined on ████████████, when it sent the Notice of Case Action, that Petitioner had failed to meet his deductible for more than three consecutive months, thus requiring closure. Because Petitioner does not dispute that he failed to meet his deductible from ████ ████████ ██████████ ██████ it is found that the Department properly closed Petitioner's MA benefits effective ████████████.

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 closed Petitioner's MA benefits effective ██████████████ for failure to meet the deductible for at least three consecutive prior months.

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

JM/hw

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 ███████
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Petitioner ███████████
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