



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: [REDACTED] June 30, 2017  
MAHS Docket No.: 17-004685  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

### **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 [REDACTED], from [REDACTED], Michigan. Petitioner was represented by his guardians and authorized representatives, [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist; and [REDACTED], Assistance Payments Supervisor.

### **ISSUE**

Did the Department properly determine Petitioner's eligibility for Medical Assistance (MA)?

### **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.
2. On [REDACTED], the Department Caseworker sent Petitioner a Health Care Coverage Determination Notice, DHS 1606, stating that Petitioner had a \$ [REDACTED] monthly deductible, effective [REDACTED]. Department Exhibit 1, pgs. 3-6.
3. On [REDACTED], the Department received a hearing request from Petitioner, contesting the Department's negative action.

### **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 was a recipient of MA. On [REDACTED], the Department Caseworker sent Petitioner a Health Care Coverage Determination Notice, DHS 1606, stating that Petitioner had a \$ [REDACTED] monthly deductible, effective [REDACTED]. Department Exhibit 1, pgs. 3-6. On [REDACTED], the Department received a hearing request from Petitioner, contesting the Department's negative action. BEM 163, 500, and 530.

During the hearing, the Department stated that due to Department error, Petitioner continued to receive MA AD-Care, even though he was no longer eligible. Petitioner used to receive Social Security SSI and RSDI benefits. During a FAP redetermination on [REDACTED], the Department Caseworker determined that Petitioner was no longer receiving SSI only RSDI effective [REDACTED]. As a result, he was no longer eligible for MA Ad Care, but eligible for MA with a Group 2 spend down based on income.

As a result of no longer receiving SSI benefits, Petitioner was determined eligible for a MA Spenddown/Deductible case. Petitioner had Social Security income of \$ [REDACTED]. After deductions of a \$ [REDACTED] unearned income general exclusion, and a protected income of \$ [REDACTED], Petitioner had a deductible of \$ [REDACTED] that he must meet before being eligible for MA. Department Exhibit 1, pg. 7.

The Department has met its burden. Petitioner was no longer receiving SSI benefits to be eligible for MA AD-Care, which resulted in Petitioner being eligible for MA with a deductible of \$ [REDACTED] that he must meet before being eligible for MA.

**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 to Department policy when it determined that Petitioner had excess income for MA AD-Care, resulting in a MA deductible of \$ [REDACTED].

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

CF/bb



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**Carmen G. Fahie**  
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]

**Petitioner**

[REDACTED]