



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: September 8, 2017
MAHS Docket No.: 17-007984
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Denise McNulty

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; 42 CFR 438.400 to 438.424; 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 August 10, 2017, from Detroit, Michigan. The Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly determine Petitioner's eligibility for 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 MA recipient. Petitioner had full medical coverage because she was erroneously listed as having Supplemental Security Income (SSI).
2. The Department conducted a Front End Eligibility inquiry of Petitioner's medical benefits and determined Petitioner's SSI benefits ended in [REDACTED] but yet she was listed as having said benefits which resulted in her receiving full medical coverage. The Department further determined that Petitioner was the recipient of Retirement, Survivors, Disability Insurance (RSDI) benefits.

3. The Department sent Petitioner a Health Care Coverage Determination Notice (Determination Notice) on [REDACTED]. The determination notice advised Petitioner that she was not eligible for Medicare Cost Sharing programs.
4. The Department received Petitioner's [REDACTED], 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.

The goal of MA is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105 (October 2014), p. 1. The MA program is comprised of several sub-programs or categories. *Id.* Federal law gives an individual the right to the most beneficial category. The most beneficial category is the one that results in eligibility, the least amount of excess income or the lowest cost share. BEM 105 (April 2017), p. 2. All MA category options are to be considered in order for the individual's right of choice to be meaningful. BEM 105 (April 2017), p. 3.

In this case, Petitioner requested a hearing to dispute the change in her MA benefits that resulted in her having a spend-down deductible. The Department asserted that the reason for the change in MA benefits for Petitioner was due to the fact that she no longer received SSI and hadn't since [REDACTED] so that erroneous information was removed from her case. The removal of SSI meant Petitioner was not eligible automatically for full medical coverage. BEM 150 (April 2017), p. 1.

The income budget was reviewed in the hearing. The Department determined that although Petitioner no longer receives SSI that she does receive RSDI payments monthly. RSDI is a federal benefit administered by the Social Security Administration that is available to retired and disabled individuals, their dependents, and survivors of deceased workers. When determining whether an individual is eligible for benefits the RSDI gross benefit amount is counted as unearned income. BEM 503 (July 2017), p. 31. The Department properly included Petitioner's \$ [REDACTED] RSDI monthly payment amount in the budget as unearned income.

The Department properly applied the \$20.00 disregard from the group's unearned income, a \$ [REDACTED] deduction for insurance premiums, and a \$ [REDACTED] deduction for protected income level, BEM 541 (April 2017), p. 3; RFT 240 (December 2013), p. 1. After applying all of the deductions available to Petitioner, her remaining deductible was calculated to be \$ [REDACTED] [Exhibit A, p. 9.] Since the budget was prepared, Petitioner is no longer responsible for paying her monthly insurance premium of \$ [REDACTED]. The Department properly applied policy when determining Petitioner's eligibility for MA benefits and the amount of 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 eligibility for MA benefits and the amount of deductible.

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



DM/jaf

Denise McNulty
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]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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