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GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

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Date Mailed: September 15, 2017
MAHS Docket No.: 17-009218
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; 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, an in-person hearing was held on August 30, 2017, from Inkster, Michigan. The Petitioner was present and represented by ██████████, Authorized Hearing Representative. ██████████ also appeared as a witness on behalf of Petitioner. The Department of Health and Human Services (Department) was represented by ██████████ ██████████, Hearing Facilitator.

ISSUE

Did the Department properly determine that Petitioner was eligible for Medical Assistance (MA) benefits subject to a deductible in the amount of \$ ██████████ effective August 1, 2017?

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 is an ongoing recipient of MA benefits.
2. On June 16, 2017, Petitioner submitted a Redetermination.
3. After redetermining Petitioner's eligibility for MA benefits, the Department sent Petitioner a Health Care Coverage Determination Notice on June 27, 2017, which indicated that she was eligible for MA benefits subject to a deductible in the amount of \$ ██████████ effective August 1, 2017.

4. On July 12, 2017, Petitioner's AHR filed a Request for Hearing disputing the Department's actions.
5. After the Request for Hearing was filed, the Department requested a determination from its Disabled Adult Child (DAC) unit as to whether Petitioner met the criteria to be classified as a DAC.
6. On August 28, 2017, the Department's DAC unit determined that Petitioner was not eligible to be classified as a DAC as she had not previously received SSI benefits.

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 submitted a Redetermination on June 16, 2017. The Department indicated that it redetermined Petitioner's eligibility for MA benefits. On June 27, 2017, the Department sent Petitioner a Health Care Coverage Determination Notice which notified Petitioner that she was eligible for MA benefits subject to a deductible in the amount of \$ [REDACTED] effective August 1, 2017.

Petitioner's AHR asserted that Petitioner should receive the designation as a DAC. The Department determined that Petitioner did not meet the status of a DAC. Under BEM 158 (October 1, 2014), pp 1-2, MA is available to a person receiving DAC (also called Childhood Disability Beneficiaries' or CDBs') RSDI benefits under section 202(d) of the Social Security Act if he or she:

- Is age 18 or older; and
- Received SSI; and
- Ceased to be eligible for SSI on or after July 1, 1987, because he became entitled to DAC RSDI benefits under section 202(d) of the Act or an increase in such RSDI benefits; and
- Is currently receiving DAC RSDI benefits under section 202(d) of the Act; and
- Would be eligible for SSI without such RSDI benefits.

Petitioner's AHR was unable to provide any evidence that Petitioner previously received SSI. Petitioner's AHR indicated that she adopted Petitioner when her daughter, Petitioner's mother, passed away. As such, Petitioner's AHR was unsure whether Petitioner ever received SSI.

A review of the SOLQ revealed that Petitioner has been receiving benefits from the Social Security Administration since her birth. However, Petitioner could have received RSDI benefits since birth and not SSI benefits. The Department testified that it found no evidence that Petitioner previously received SSI benefits. Given that there was no evidence provided that Petitioner received SSI benefits as required to be classified as a DAC, it is found that the Department properly determined that Petitioner was ineligible for the classification as a DAC.

Petitioner's AHR confirmed that Petitioner received monthly RSDI income of \$ [REDACTED]. 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. 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.

The monthly PIL for an MA fiscal group size of one living in Wayne County is \$ [REDACTED] per month. RFT 200 (April 2017), p. 2; RFT 240 (December 2013), p. 1. Thus, if Petitioner's net income is in excess of \$ [REDACTED] she may become eligible for MA assistance under the deductible program. As discussed above, Petitioner's countable income totaled \$ [REDACTED]. The evidence at the hearing established that Petitioner was not eligible for any deductions. BEM 544, pp. 1-2. Because Petitioner's net income of \$ [REDACTED] exceeded the applicable \$ [REDACTED] PIL by \$ [REDACTED] the Department acted in accordance with Department policy when it concluded that Petitioner was eligible for MA coverage subject to a monthly \$ [REDACTED] deductible.

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 that Petitioner was eligible for MA benefits subject to a deductible in the amount of \$ [REDACTED] effective August 1, 2017.

DECISION AND ORDER

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

JAM/tlf



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

Via Email:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Authorized Hearing Rep.

- **Via First-Class Mail:**

[REDACTED]
[REDACTED]
[REDACTED]

Petitioner

- **Via First-Class Mail:**

[REDACTED]
[REDACTED]
[REDACTED]