



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: January 12, 2018
MAHS Docket No.: 17-013972
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Laura Gibson

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 January 8, 2018, from Detroit, Michigan. Petitioner was represented by his Authorized Representative (AR), [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED], Family Independence Manager.

ISSUE

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

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 MA recipient.
2. On September 15, 2017, and October 2, 2017, the Department sent Petitioner a Benefit Notice informing him that he was approved for MA benefits subject to a monthly deductible of \$ [REDACTED].
3. Petitioner is eligible for Medicare.
4. Petitioner lives in [REDACTED], in an adult foster care facility.
5. Petitioner has been determined as disabled.

6. Petitioner has monthly income in the form of Retirement, Survivors, and Disability Insurance (RSDI) benefits in the amount of \$ [REDACTED] per month. Petitioner also receives a pension of \$ [REDACTED] per month.
7. Petitioner is responsible for insurance premiums of \$ [REDACTED] per month.
8. Petitioner receives guardianship and conservator services.
9. Petitioner receives remedial services.
10. On October 12, 2016, Petitioner's AR requested a hearing disputing Petitioner's MA coverage.

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 disputes the Department's determination of Petitioner's MA coverage. The Department determined Petitioner was qualified for MA benefits under the Group 2-SSI-related (G2S) program, subject to a monthly deductible of \$2,007.

Because Petitioner was Medicare eligible, Petitioner was not eligible for MA coverage under HMP. BEM 137 (October 2016), p. 1.

As a disabled and/or aged individual, Petitioner is potentially eligible to receive MA benefits through AD-Care. Ad-Care is an SSI-related full-coverage MA program. BEM 163 (July 2017), p. 1. It was not disputed that Petitioner receives \$ [REDACTED] per month in RSDI benefits, and a monthly pension of \$ [REDACTED]. As Petitioner resides in an adult foster care facility, per policy, Petitioner's fiscal group size for SSI-related MA benefits is one. BEM 211 (January 2016), pp. 6-7. The Department gives AD-Care budget credits for employment income, guardianship and/or conservator expenses and cost of living adjustments (COLA) (for January through March only). Because Petitioner receives guardianship/conservator services, Petitioner is entitled to a \$ [REDACTED] deduction. BEM 541 (October 2017), p. 3. Income eligibility for AD-Care exists when countable income does not exceed the income limit for the program. BEM 163, p. 2. The income limit for AD-

Care for a one-person MA group is \$ [REDACTED] RFT 242 (April 2017), p. 1. Because Petitioner's monthly household income exceeds \$ [REDACTED] the Department properly determined Petitioner to be ineligible for MA benefits under AD-Care.

Petitioner may still receive MA benefits subject to a monthly deductible through a Group 2 Medicaid category. Petitioner is not the caretaker of any minor children, and therefore, does not qualify for MA through the Group 2-Caretaker MA program.

Petitioner may still receive MA benefits subject to a monthly deductible through the G2S program. G2S is an SSI-related MA category. BEM 166 (April 2017), p. 1. As stated above, Petitioner's SSI-related MA group size is one. Petitioner's net income is \$ [REDACTED] (his gross RSDI and pension reduced by a \$ [REDACTED] disregard). BEM 541 (October 2017), p. 3. The deductible is in the amount that the client's net income (less any allowable needs deductions) exceeds the applicable Group 2 MA protected income levels (PIL); the PIL is based on the client's MA fiscal group size and the county in which he resides. BEM 105 (April 2017), p. 1; BEM 166 (April 2017), pp. 1-2; BEM 544 (July 2016), p. 1; RFT 240 (December 2013), p. 1; RFT 200 (April 2017), p. 2. The monthly PIL for a client in Petitioner's position, with an MA fiscal group size of one living in Macomb County, is \$408 per month. RFT 200, p. 2; RFT 240, p. 1. Thus, if Petitioner's monthly net income (less allowable needs deductions) is in excess of \$ [REDACTED] he is eligible for MA assistance under the deductible program, with the deductible equal to the amount that his monthly net income, less allowable deductions, exceeds \$ [REDACTED] BEM 545 (January 2017), pp. 2-3. The Department presented an SSI-related MA budget showing the calculation of Petitioner's deductible.

In determining the monthly deductible, net income is reduced by health insurance premiums paid by the MA group and remedial service allowances for individuals in adult foster care or homes for the aged. BEM 544, pp. 1-3. In this case, Petitioner lives in an adult foster care facility. Petitioner did not dispute the Department's deduction of \$424 for remedial services. BEM 544, p. 2; RFT 241 (December 2013), p. 1. There was evidence that Petitioner was responsible for a monthly health insurance premium cost of \$ [REDACTED] BEM 544, p. 1. No evidence of verified medical expenses was submitted. Therefore, the Department properly did not include any deductions for medical expenses.

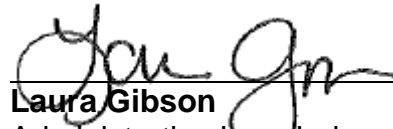
At the hearing, Petitioner's AR alleged that Petitioner incurs guardianship and conservator expenses far in excess of the \$ [REDACTED] budgeted by the Department. However, policy only allows for a deduction of \$ [REDACTED] for guardianship/conservator expenses, and does not allow for a deduction for actual incurred expenses in excess of \$ [REDACTED] As such, the Department properly budgeted \$ [REDACTED] for Petitioner's guardianship/conservator expenses.

Petitioner's net income of \$ [REDACTED] reduced by the \$ [REDACTED] PIL, \$ [REDACTED] insurance premium, \$ [REDACTED] in remedial services, and \$ [REDACTED] in guardianship/conservator expenses is \$ [REDACTED] Therefore, the Department properly determined that Petitioner is eligible for MA benefits under the G2S program subject to a monthly deductible of \$ [REDACTED]

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

LG/kl



Laura Gibson
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]

Petitioner via USPS

[REDACTED]

Authorized Hearing Rep. via USPS

[REDACTED]