



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: June 1, 2018  
MAHS Docket No.: 18-003521  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Eric J. Feldman

**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 May 29, 2018, from Lansing, Michigan. Petitioner was represented by his mother, [REDACTED]. The Department of Health and Human Services (Department) was represented by Anthony Couls, Hearings Facilitator.

**ISSUE**

Did the Department properly calculate Petitioner's mother, [REDACTED] and his father's, [REDACTED] Medical Assistance (MA) - Group 2 Caretaker Relatives (G2C) coverage with a monthly \$ [REDACTED] deductible for April 1, 2018, ongoing?

**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's parents, [REDACTED] are ongoing recipients of MA-G2C coverage, subject to a deductible. [Exhibit A, p. 10; Exhibit B, p. 1.]
2. On March 14, 2018, the Department sent Petitioner's mother a Health Care Coverage Determination Notice notifying her that she was eligible for MA coverage effective April 1, 2018, ongoing (with a \$ [REDACTED] monthly deductible); and her spouse was eligible for MA coverage effective April 1, 2018, ongoing (with a \$ [REDACTED] monthly deductible) (Emergency Services Only). [Exhibit A, p. 10; Exhibit B, p. 1.]
3. On March 30, 2018, Petitioner's mother filed a hearing request, protesting the Department's action. [Exhibit A, pp. 6-8.]

## **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.

### **Preliminary matters**

First, Petitioner's mother also filed a hearing request, protesting the closure of her son's, Petitioner, MA benefits effective April 1, 2018. [Exhibit A, pp. 6-8.] Shortly after commencement of the hearing, it was discovered that Petitioner was approved for MICHild coverage effective April 1, 2018, which resulted in no lapse in coverage. As a result, Petitioner's MA hearing request issue has been resolved and is therefore, DISMISSED. [Exhibit A, pp. 1 and 10.]

It should be noted that Petitioner's mother now disputed the monthly \$ [REDACTED] premium that is associated with Petitioner's MICHild coverage. See BEM 130 (July 2016), p. 1 (Families pay a monthly premium for MICHild coverage. The premium amount is \$ [REDACTED] per family per month regardless of the number of children in the family). Based on this information, the undersigned Administrative Law Judge (ALJ) lacks the jurisdiction to address Petitioner's new issue concerning the premium because the mother did not dispute this issue in the hearing request. Petitioner can attempt to file a new hearing request in which they protest the MICHild premium. See BAM 600 (April 2018), pp. 1-6; BEM 130, p. 3.

Second, the mother also properly requested a hearing in which she disputed her and her spouse's MA deductible, which will be addressed below. [Exhibit A, pp. 6-8.]

### **MA deductible**

G2C is a Group 2 MA category. BEM 135 (October 2015), p. 1. MA is available to parents and other caretaker relatives who meet the eligibility factors in this item. BEM 135, p. 1. All eligibility factors must be met in the calendar month being tested. BEM 135, p. 1.

Income eligibility exists when net income does not exceed the Group 2 needs in BEM 544. BEM 135, p. 2. The Department applies the MA policies in BEM 500, 530 and 536 to determine net income. BEM 135, p. 2. If the net income exceeds Group 2 needs, MA eligibility is still possible. BEM 135, p. 2.

In the present case, Petitioner's parents, [REDACTED] are ongoing recipients of G2C coverage, subject to a deductible. [Exhibit A, p. 10; Exhibit B, p. 1.] On March 14, 2018, the Department sent Petitioner's mother a Health Care Coverage Determination Notice notifying her that she was eligible for MA coverage effective April 1, 2018, ongoing (with a \$ [REDACTED] monthly deductible); and her spouse was eligible for MA coverage effective April 1, 2018, ongoing (with a \$ [REDACTED] monthly deductible) (Emergency Services Only). [Exhibit A, p. 10; Exhibit B, p. 1.]

On March 30, 2018, the mother filed a hearing request, protesting the amount of their deductible. [Exhibit A, pp. 6-8.]

During the hearing, the undersigned discovered that the Department failed to provide MA budgets to show how the Department calculated Petitioner's mother and father's deductible.

The local office and client or Authorized Hearing Representative (AHR) will each present their position to the Administrative Law Judge (ALJ), who will determine whether the actions taken by the local office are correct according to fact, law, policy and procedure. BAM 600 (April 2018), p. 36. The ALJ determines the facts based only on evidence introduced at the hearing, draws a conclusion of law, and determines whether MDHHS policy was appropriately applied. BAM 600, p. 39.

Based on the foregoing information and evidence, the Department did not satisfy its burden of showing that it acted in accordance with Department policy when it calculated Petitioner's mother and father MA deductible effective April 1, 2018, ongoing. The Department needs to establish how calculated the deductible. However, the Department failed to present evidence, a MA budget, showing how it determined the deductible. Thus, the Department is ordered to recalculate Petitioner's mother and father MA deductible effective April 1, 2018.

### **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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it calculated Petitioner's mother and father MA-G2C deductible of \$ [REDACTED] effective April 1, 2018, ongoing.

Accordingly, the Department's MA decision is **REVERSED**.


THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS

HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Recalculate Petitioner's mother, [REDACTED], and his father's, [REDACTED] MA budget effective April 1, 2018;
2. Issue supplements to Petitioner's mother and father for any MA benefits they were eligible to receive but did not from April 1, 2018, ongoing; and
3. Notify Petitioner's mother and father of its decision.

**IT IS ALSO ORDERED** that Petitioner's hearing request concerning the closure of his MA benefits is **DISMISSED**.

EF/nr

  
Eric J. Feldman  
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) 763-0155; 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**

Jeanenne Broadnax  
25637 Ecorse Rd.  
Taylor, MI  
48180

Wayne 18 County DHHS- via electronic  
mail

BSC4- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

**Petitioner**

