GRETCHEN WHITMER
GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS DIRECTOR



Date Mailed: June 7, 2019 MOAHR Docket No.: 19-004696

Agency No.: Petitioner:

**ADMINISTRATIVE LAW JUDGE:** Janice Spodarek

### **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 June 6, 2019, from Lansing, Michigan. Petitioner was unrepresented. appeared as a witness. The Department of Health and Human Services (Department) was represented by Hayat Nagi, ES worker.

## **ISSUE**

Did the Department properly calculate Petitioner's MA budget?

#### FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

- 1. On August 22, 2018, Petitioner received a favorable SSA decision triggering a change in Petitioner's disability benefits from SSI to RSDI.
- 2. When Petitioner was receiving SSI, Petitioner was receiving for full Medicaid. The Department testified that Petitioner's spouse's income was not budgeted.
- 3. On or about 2019, Petitioner filed for SER, at which time Petitioner submitted income and asset verifications. At that time Respondent determined that Petitioner was receiving RSDI which was an income increase from the SSI payments, and, that Petitioner's spouse's income had not been previously budgeted.

- 4. The Department recalculated MA eligibility incorporating Petitioner's spouse's income not previously budgeted.
- 5. On April 2, 2019, the Department issued a Notice of Case Action to Petitioner informing him that his MA eligibility changed to an MA spend down/deductible of \$2,338.00 per month.
- 6. Petitioner does not dispute the income and expenses used in his budget.
- 7. Petitioner's expenses exceed his income.
- 8. On April 29, 2019, Petitioner filed a hearing request disputing the deductible.

#### **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, there are many MA categories for which an applicant may be eligible, with many differing income, group, and expense deductions. Many citations are found in the notices issued to Petitioner regarding his lack of eligibility. See Exhibit A.5-8. In addition, BAM 220 and BAM 105 contain overviews of the various MA categories. Different categories have different income and asset requirements for eligibility.

Here Petitioner offered no evidence that he is eligible for a deductible that is less than required by the Department. As such, and as the evidence of record supports the budget used, the action of Respondent must be upheld.

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 calculated Petitioner's deductible.

## **DECISION AND ORDER**

Accordingly, the Department's decision is

AFFIRMED.

JS/dh

Janice Spodarek

Administrative Law Judge for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139 **DHHS** 

Montrece White 27690 Van Dyke Warren, MI 48093

Macomb County, DHHS

BSC4 via electronic mail

EQAD via electronic mail

D. Smith via electronic mail

**Petitioner** 

