



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: January 23, 2018  
MAHS Docket No.: 17-012903  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. A hearing scheduled for November 30, 2017 was adjourned for an in-person hearing. After due notice, an in-person hearing was held on January 2, 2018, from Flint, Michigan. The Petitioner was represented by [REDACTED] and he testified on his own behalf. The Department was represented by Colleen Hayes, Family Independence Manager.

**ISSUE**

Did the Department of Health and Human Services (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. On August 24, 2017, the Department received Petitioner's completed Redetermination (DHS-1010) form. Exhibit A, pp 19-26.
2. The Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$1,363. Exhibit A, p 23.
3. On September 5, 2017, the Department notified Petitioner that he was approved for full coverage Medical Assistance (MA) effective October 1, 2017. Exhibit A, pp 6-7.
4. On September 14, 2017, the Department notified Petitioner that he was approved for Medical Assistance (MA) with a \$801 monthly deductible and that he was

eligible for Full Coverage Medicare Savings Program benefits effective October 1, 2017. Exhibit A, pp 8-10.

5. On September 29, 2017, the Department received Petitioner's request for a hearing. Exhibit A, pp 4-5.

### **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.

All earned and unearned income available is countable unless excluded by policy. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (July 1, 2017).

On September 24, 2017, the Department received Petitioner's completed Redetermination (DHS-1010 form and began a routine review of his eligibility to receive ongoing MA benefits. Petitioner receives RSDI benefits in the gross monthly amount of \$1,363, which was not disputed during the hearing.

Initially, Petitioner was approved for full coverage MA benefits, although the income limit to receive full coverage MA benefits is \$1,025 per month. Department of Health and Human Services Reference Table Manual (RFT) 242 (April 1, 2017), pp 1-2.

On September 14, 2017, the Department revised its determination of Petitioner's eligibility for MA benefits. On September 14, 2017, the Department notified petitioner that he was eligible for MA benefits with a \$801 monthly deductible effective October 1, 2017.

A review of Petitioner's case reveals that the Department budgeted correct amount of income received by the Petitioner. Petitioner's "protected income level" is \$408, and this amount cannot be changed either by the Department or by this Administrative Law Judge. Department of Human Services Reference Table Manual (RFT) 240 (December 1, 2013), p 1. Department's determination that the Petitioner has a \$801 deductible per month she must meet in order to qualify for MA for any medical expenses above is therefore correct.

Petitioner is not eligible for full coverage MA benefits under the Health Michigan Plan (HMP) due to his receipt of RSDI benefits. There is no assets test for recipients of HMP benefits but there is maximum asset level for recipients of MA benefits with a monthly deductible. Therefore, the Department requested that Petitioner provide verification of his current countable assets.

However, this occurred after Petitioner requested a hearing and therefore falls outside the scope of Petitioner's request for a hearing. If Petitioner intends to protest a Department action stemming from the verification of his assets, an additional hearing request will be necessary and must be received within 90 days of the date the Department mails written notice.

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 Medical Assistance (MA) benefits as of October 1, 2017.

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/nr

  
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Kevin Scully  
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**

Lindsay Miller  
125 E. Union St 7th Floor  
Flint, MI 48502

Genesee Union St. County DHHS- via  
electronic mail

BSC2 - via electronic mail

M. Best- via electronic mail

EQAD- via electronic mail

**Authorized Hearing Rep.**

[REDACTED]

**Petitioner**

[REDACTED]