



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED], MI [REDACTED]

Date Mailed: October 17, 2019
MOAHR Docket No.: 19-008955
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: John Markey

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 October 2, 2019 from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Candace Baker, Family Independence Manager. During the hearing, a 61-page packet of documents was offered and admitted into evidence as Exhibit A, pp. 1-16.

ISSUE

Did the Department properly determine Petitioner's Medicaid (MA) Patient Pay Amount (PPA), effective August 1, 2019?

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 [REDACTED], 2019, Petitioner submitted to the Department an application for MA benefits. The application indicated that Petitioner was a patient of a nursing facility. Exhibit A, pp. 5-9.
2. At the time of application, Petitioner's household consisted of herself and her daughter, who turned 18 in July 2019. Exhibit A, p. 8.
3. Petitioner's monthly income of \$465 is comprised solely of unearned income. Exhibit A, pp. 11-13.

4. On June 11, 2019, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that her monthly PPA was \$269 per month. Exhibit A, pp. 16-20.
5. On July 8, 2019, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that her monthly PPA was \$405 per month, effective August 1, 2019. Exhibit A, pp. 33-36.
6. On August 12, 2019, Petitioner submitted to the Department a request for hearing objecting to the Department's decision to increase her monthly PPA, effective August 1, 2019.

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 objects to the increase of her monthly PPA from \$269 to \$405, effective August 1, 2019. The Department determined Petitioner's eligibility based upon Petitioner's income and household status. During the hearing, the Department witness explained that the increase was the result of removing the children's allowance from the budget, which was required due to Petitioner's daughter reaching the age of 18 in July 2019.

A PPA is the monthly amount of a person's income which Medicaid considers available for meeting the cost of LTC services. Medicaid reduces its payment to the LTC facility by the PPA. BEM 546 (July 2019), p. 1. The PPA is equal to the client's total income minus her total need, which includes patient allowance and children's allowance, where applicable. BEM 546, p. 1.

Income

In support of the calculation of the PPA, the Department presented a PPA budget showing Petitioner's total income and total need. Exhibit A, p. 45. The budget shows

total income for Petitioner of \$465, which Petitioner acknowledged was correct. Therefore, the Department properly calculated Petitioner's total income.

Total Need

Total need is the sum of the following when allowed: patient allowance; home maintenance disregard; community spouse income allowance (CSIA); family allowance; children's allowance; health insurance premiums; and guardianship/conservator expenses. BEM 546, p. 1.

The patient allowance for clients who are in, or are expected to be in, LTC for an entire month is \$60 unless the patient is also a veteran in which case the patient allowance is \$90 per month. BEM 546, p. 3. Because there was no evidence that Petitioner was a veteran, the Department properly used \$60 as the patient allowance.

None of the other disregards or allowances are applicable to Petitioner's situation as of Petitioner's daughter's 18th birthday, which occurred in [REDACTED] 2019. Thus, for August 2019, the Department properly did not apply the children's allowance. Accordingly, the Department properly determined that Petitioner's total need figure was \$60.

PPA Amount, Effective August 1, 2019

As shown above, Petitioner's total income was properly determined to be \$465, and her total need was properly determined to be \$60. The PPA is determined by subtracting the total need from the total income. Completing that calculation results in a PPA of \$405, which is what the Department determined.

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 PPA, effective August 1, 2019.

DECISION AND ORDER

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

JM/tm



John Markey
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

Courtney Jenkins
22 Center Street
Ypsilanti, MI
48198

Petitioner

[REDACTED], MI

cc: MA- Deanna Smith; EQADHShearings
AP Specialist-Washtenaw (4)