

**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES**

**IN THE MATTER OF:**

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████████████████████  
████████████████████

Reg. No.: 14-007459  
Issue No.: 2001  
Case No.: ██████████  
Hearing Date: October 6, 2014  
County: SSPC-East

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**HEARING DECISION**

Following Claimant'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. After due notice, a 3-way telephone hearing was held on October 6, 2014, from Detroit, Michigan. Participants on behalf of Claimant included ██████████  
████████████████████ Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████ ██████████ ██████████  
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**ISSUE**

Did the Department properly deny Claimant's application for Medical Assistance (MA) benefits under the Healthy Michigan Plan (HMP)?

**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 April 28, 2014, Claimant applied for MA coverage.
2. On April 28, 2014, the Department sent Claimant a Health Care Coverage Supplemental Questionnaire, DHS-1004, requesting additional information to determine his MA eligibility. The completed DHS-1004 was due back to the Department by May 9, 2014.
3. Claimant timely submitted the completed DHS-1004.
4. On May 9, 2014, the Department sent Claimant a Health Care Coverage Determination Notice, DHS-1606 (HCC Notice), denying his application on the

basis that he was not blind, disabled, pregnant, parent/caretaker relative of a dependent child, or meet the age requirements and that his income exceeded the income limit.

5. On July 15, 2014, Claimant filed a request for hearing disputing the Department's decision.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of 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 Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

The May 9, 2014, HCC Notice notified Claimant that he was denied MA coverage because he (i) was not blind, disabled, pregnant, the parent/caretaker relative of a dependent child, or did not meet the age requirements and (ii) his annual income of \$18,720 exceeded the income limit of \$15,521 applicable to a group size of one.

MA is available (i) under SSI-related categories to individuals who are aged (65 or older), blind or disabled or (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women. BEM 105 (January 2014), p. 1. The AHR did not dispute the Department's finding that Claimant did not meet any of the foregoing eligibility requirements.

The Department testified that it also considered Claimant's eligibility for HMP coverage. HMP provides health care coverage for individuals who:

- Are age 19-64 years
- Have income at or below 133% of the federal poverty level under the Modified Adjusted Gross Income (MAGI) methodology
- Do not qualify for or are not enrolled in Medicare
- Do not qualify for or are not enrolled in other Medicaid programs
- Are not pregnant at the time of application
- Are residents of the State of Michigan

The Department testified that Claimant was initially denied HMP eligibility because he had failed to submit the completed DHS-1004 sent to him on April 28, 2014. However, at the hearing, the Department testified that it reviewed Claimant's record prior to the hearing and found that Claimant had timely submitted the DHS-1004 but the form had not been timely uploaded by the Department onto its system. Therefore, to the extent the Department denied Claimant's application for HMP coverage due to his failure to submit the completed DHS-1004, the Department acknowledged that it erred.

The Department further testified that the income limit identified on the HCC Notice applied for HMP eligibility. In order to be eligible for HMP, the annual income of a single-person household group, calculated using the MAGI methodology, cannot exceed 133% of the federal poverty level, which is \$15,521.10 for 2014.

The HCC Notice in this case indicated that Claimant had annual income of \$18,720 and, applying a household size of one, exceeded the income eligibility limit for HMP coverage. However, at the hearing, the Department acknowledged, based on Claimant's responses on the DHS-1004, that the income figure it used to calculate Claimant's HMP income eligibility was inaccurate.

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 did not act in accordance with Department policy when it denied Claimant's April 28, 2014, MA application.


### **DECISION AND ORDER**

Accordingly, the Department's 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. Reregister and reprocess Claimant's April 28, 2014, MA application;
2. Provide Claimant with MA coverage he is eligible to receive, if any, from April 1, 2014 ongoing; and

3. Notify Claimant and the AHR of its decision in writing.

  
**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **10/9/2014**

Date Mailed: **10/9/2014**

ACE / pf

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

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 48909-07322

CC: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]