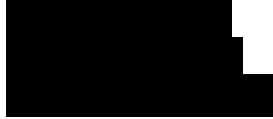


**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES**

IN THE MATTER OF:



Reg. No.: 14-001886
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: June 4, 2014
County: SSPC-WEST

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 three-way telephone hearing was held on June 4, 2014 from Lansing, Michigan. Claimant appeared via telephone and provided testimony. Participants on behalf of the Department of Human Services (Department) included [REDACTED] (Eligibility Specialist).

ISSUE

Did the Department properly deny Claimant's application for Medical Assistance (MA) due to excess income?

FINDINGS OF FACT

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

1. Claimant applied for MA on April 2, 2014.
2. Claimant had a household size of 1 at all times.
3. Claimant, at the time of application, was actively receiving Unemployment Compensation Benefits (UCB) in the amount of \$ [REDACTED] per week effective January 4, 2014.
4. On April 11, 2014, the Department mailed Claimant a Health Care Coverage Determination Notice (DHS-1606) which denied the application and determined that Claimant's annual income of \$ [REDACTED] exceeded the household size income limits.

5. The Department received Claimant's request for a hearing to dispute the Department's denial of his application on April 24, 2014.

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.

Individuals are eligible for MA coverage under the Healthy Michigan Plan (HMP) if they: (1) are age 19-64 years; (2) have income at or below 133% of the federal poverty level;¹ (3) do not qualify for or are not enrolled in Medicare; (4) do not qualify for or are not enrolled in other Medicaid programs; (5) are not pregnant at the time of application; and (5) are residents of the State of Michigan.

Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, Plan First!, and [HMP] is based on Modified Adjusted Gross Income (MAGI) methodology. BEM 105, p 1 (1-1-2014) (With "HMP" added to replace the former Adult Medical Program (AMP)).

MAGI for purposes of Medicaid eligibility is a methodology which state agencies and the federally facilitated marketplace (FFM) must use to determine financial eligibility. It is based on Internal Revenue Service (IRS) rules and relies on federal tax information. BEM 500 pp. 3-4 (1-1-2014).

Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. Unearned income is all income that is not earned. BEM 500, p. 4.

For all types of assistance except for the Freedom to Work (FTW) program, all unemployment benefits available through the Michigan Unemployment Insurance Agency (UIA) and comparable agencies in other states are counted as unearned income. BEM 503 p 34 (1-1-2014).

¹ Eligibility for the Healthy Michigan Plan is determined through the Modified Adjusted Gross Income methodology.

Here, the Department asserts that Claimant was not eligible for MA-HMP due to excess income. The Department contends that Claimant's weekly UCB payments resulted in an annual income of \$ [REDACTED] which exceeded the income policy limits. Claimant, on the other hand, did not dispute the Department's calculations but argued that he should be income eligible for MA-HMP because his UCB payments were temporary for 20 weeks.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). The weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. The current annual household size income limit for Claimant, who is between the age of 19 and 64 with a household size of 1, is \$ [REDACTED]. Because Claimant's annual household income of \$ [REDACTED] exceeds the \$ [REDACTED] policy limit for his household size, he is not eligible for MA-HMP benefits. While Claimant is correct that his UCB unearned income is temporary, the Department must budget and include his income at the time of application.

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 denied Claimant's April 2, 2014 MA-HMP application due to excess income.

DECISION AND ORDER

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

IT IS SO ORDERED.



C. Adam Purnell
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **6/9/2014**

Date Mailed: **6/9/2014**

CAP/las

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:

