

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

**IN THE MATTER OF:**

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

Reg. No.: 14-007989  
Issue No.: 2001  
Case No.: ██████████  
Hearing Date: October 15, 2014  
County: SSPC-East

**ADMINISTRATIVE LAW JUDGE:** Michael Bennane

**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, telephone hearing was held on October 15, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████

**ISSUE**

Due to excess income, did the Department properly  deny the Claimant's application  close Claimant's case  reduce Claimant's benefits for:

- Family Independence Program (FIP)?       State Disability Assistance (SDA)?  
 Food Assistance Program (FAP)?       Child Development and Care (CDC)?  
 Medical Assistance (MA) 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. Claimant  applied for  received:  
 FIP    FAP    MA/HMP    SDA    CDC  
Benefits on July 7, 2014.
  
2. On August 1, 2014, the Department  denied Claimant's application  
 closed Claimant's case    reduced Claimant's benefits  
due to excess income.

3. On On July 16, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
4. On July 24, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's actions.

### **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), and Department of Human Services Reference Tables Manual (RFT).

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 July 16, 2014, HCC Notice notified Claimant that she was denied MA coverage because (i) she was not blind, disabled, pregnant, the parent/caretaker relative of a dependent child, or meet the age requirements and (ii) her husband's 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). Claimant 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

In the instant case, the Department uses the figure of \$44,796 for Claimant's annual income. This figure was not documented by the Department and, in fact, the

documentation provided by the Department shows that Claimant's husband's annual income is \$24,960.00.

The documentation provided at the hearing shows that Claimant lost her job and has no income. All of the income figures used by the Department were based on Claimant's husband's income. Although the Department calculated Claimant's MAGI income by using her husband's income, it failed to recognize Claimant's husband in calculating the household size.

Related policy for MAGI group composition can be found in BEM 211. BEM 211 (January 2014).

The Administrative Law Judge, based upon 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 .
- did not act in accordance with Department policy when it failed to provide evidence of MAGI-related policy to support its decision.
- failed to satisfy its burden of showing that it acted in accordance with Department policy when it .

### **DECISION AND ORDER**


Accordingly, the Department's decision is

- AFFIRMED.
- REVERSED.
- AFFIRMED IN PART with respect to and REVERSED IN PART with respect to .

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 July 7, 2014, MA application;
2. Provide Claimant with MA coverage she is eligible to receive, if any, from July 7, 2014, ongoing; and

3. Notify Claimant of its decision.

  
\_\_\_\_\_  
**Michael Bennane**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **10/27/2014**

Date Mailed: **10/27/2014**

MJB / 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]