

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

**IN THE MATTER OF:**

██████████  
██████████

Reg. No.: 15-003081  
Issue No.: 2001  
Case No.: ██████████  
Hearing Date: May 06, 2015  
County: Oakland (4) North Saginaw

**ADMINISTRATIVE LAW JUDGE:** Colleen Lack

**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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on May 6, 2015, from Lansing, Michigan. Participants on behalf of Claimant included ██████████, ██████████ Authorized Hearing Representative (AHR). Participants on behalf of the Department of Health and Human Services (Department) included ██████████, Eligibility Specialist.

**ISSUE**

Did the Department properly deny Claimant's application for Medical Assistance (MA) based on income in excess of program limits?

**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 November 3, 2014, Claimant applied for Medicaid (MA-HMP), in part reporting that Claimant was working ██████ hours per week and is paid \$█████ per hour.
2. On November 3, 2014, Health Care Supplemental Questionnaire was issued with a due date of November 13, 2014.
3. On November 12, 2014, the Health Care Supplemental Questionnaire was returned, again reporting that Claimant was working ██████ hours per week and is paid \$█████ per hour.
4. The Department determined that Claimant's annual income exceeded the limit for his group size, \$██████████.

5. On November 19, 2014, a Health Care Coverage Determination Notice was issued stating Claimant was not eligible.
6. On February 17, 2015, a hearing request was filed on Claimant's behalf contesting the Department's action.

### **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.

For Healthy Michigan Plan (MA-HMP), the income limit for adults age [REDACTED]-[REDACTED] is [REDACTED] percent of the Federal Poverty Limit. Michigan Department of Community Health, Modified Adjusted Gross Income Related Eligibility Manual, May 28, 2014, p. 2. In 2014, for a household size of one person age [REDACTED], the annual income limit is \$ [REDACTED].

The Department counts the gross amount of wages. BEM 501, July 1, 2014, pp. 6-7.

The Department converts stable and fluctuating income that is received more often than monthly to a standard monthly amount. The Department is to use one of the following methods: multiply weekly income by 4.3; multiply amounts received every two weeks by 2.15; add amounts received twice a month. This conversion takes into account fluctuations due to the number of scheduled pays in a month. BEM 505, July 1, 2014, pp. 7-8.

The Department determined that Claimant was not eligible for HMP because his income exceeded the limit for this program. This was based on the information reported on the Assistance Application and on the Health Care Supplemental Questionnaire that Claimant was working [REDACTED] hours per week and is paid \$ [REDACTED] per hour. [REDACTED] hours per week x \$ [REDACTED] per hour x 52 weeks equals an annual income of \$ [REDACTED]. It was not reported how frequently Claimant is paid on the Assistance Application and on the Health Care Supplemental Questionnaire. However, the alternative calculations utilizing the conversion for being paid every week or every other week still result in income in excess of the applicable limit for Claimant's group size even when eligibility is reviewed on a monthly basis.

Claimant's AHR asserted that the Department denied the application before waiting for the time period that was given to provide verifications had expired. A February 10, 2015, email from the AHR agency to the Department asserts that a Verification Checklist was issued November 3, 2014. The AHR testified that there was an emailed request for an extension on November 13, 2014. The Eligibility Specialist testified that she spoke with the Department worker this case had been assigned to and that worker checked her emails to look for the asserted extension requests. That Department worker only found emails for extension requests sent on November 24, 2014, and December 4, 2014. Both of which were sent after the November 19, 2014, denial notice was issued. Copies of those emails were included in the Department's hearing exhibits.

Overall, there was insufficient credible evidence to establish that an extension was requested prior to the November 13, 2014, due date for returning the Health Care Supplemental Questionnaire and any verifications of the information provided on this form. There was no evidence that a separate Verification Checklist was issued. Further, the AHR has not provided any evidence that Claimant's income was actually under the applicable income limit for MA-HMP.

The Department's evidence shows that Claimant does not qualify for HMP because the Claimant's reported income exceeds the applicable limit for his group size. Further, there was no evidence showing the Claimant met the criteria for any other MA category, such as blind, disabled, pregnant, parent/caretaker of a dependent child, or met age requirements.

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 MA application based on income in excess of the program limit.

### **DECISION AND ORDER**

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



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Colleen Lack  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **5/18/2015**

Date Mailed: **5/18/2015**

CL/jaf

**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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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 48909-8139

cc:

