

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

IN THE MATTER OF:

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

Reg. No.: 15-013782
Issue No.: 2001
Case No.: ██████████
Hearing Date: September 28, 2015
County: Oakland-District 4

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 September 28, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. 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) benefits on the basis that his income exceeded the limit?

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 May 21, 2015, Claimant submitted an application for MA benefits.(Exhibit A)
2. On his application, Claimant reported that he is employed five hours per week and is paid at a rate of ██████ per hour. (Exhibit A, p. 7)
3. On July 7, 2015, the Department sent Claimant a Health Care Coverage Determination Notice informing him that for the period of May 1, 2015, ongoing, he was ineligible for MA on the basis that he was not blind, disabled, pregnant, parent/caretaker relative of a dependent child and that he does not meet age requirements. The Notice also indicated that Claimant's income of ██████ was used to determine Claimant's income eligibility for MA. (Exhibit B)

4. On July 20, 2015, Claimant requested a hearing disputing the Department's actions.

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, the Department stated that Claimant's May 21, 2015, application was denied on the basis that his reported income was in excess of the \$ [REDACTED] limit for MA eligibility under the Healthy Michigan Plan (HMP). The Department stated that in calculating Claimant's annual income of [REDACTED] it relied on the information that Claimant supplied with his application, specifically, that he is paid [REDACTED] per hour and works five hours weekly, which totals [REDACTED] weekly.

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

Michigan Department of Community Health, Medicaid Provider Manual, Healthy Michigan Plan, §1.1, available at <http://www.mdch.state.mi.us/dch-medicaid/manuals/MedicaidProviderManual.pdf>.

A determination of a client's income eligibility for HMP under the MAGI methodology requires determination of the client's household size and the applicable income limit for that group size. For MAGI purposes, Claimant has a household size of one. Michigan Department of Community Health, Modified Adjusted Gross Income (MAGI) Related Eligibility Manual, § 5.2. 133% of the annual federal poverty level for a household with

one member is [REDACTED] for 2015. <http://aspe.hhs.gov/POVERTY/14poverty.cfm>. Therefore, Claimant is income-eligible for HMP if his annual income does not exceed [REDACTED]

In this case, Claimant testified that the information contained in his application was inaccurate, that he is not paid [REDACTED] per hour and that he received a 1099 tax form reflecting income of about [REDACTED] last year. However, the Department properly calculated Claimant's annual income based on the information available at the time the application was processed. Because Claimant's attested income was above the threshold for the HMP program and because he was clearly ineligible for MA based on his excess income, the Department was not required to request verification of Claimant's actual income. (MAGI Related Eligibility Manual, § 7; BAM 130 (July 2015), p. 1).

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 on the basis that his income was in excess of the limit for HMP eligibility. Claimant is informed that he is entitled to submit a new application for MA benefits and have his eligibility determined based on his accurate income information.

DECISION AND ORDER

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



Zainab Baydoun
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **10/13/2015**

Date Mailed: **10/13/2015**

ZB / tlf

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:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]