

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

IN THE MATTER OF:

[REDACTED]

MAHS Reg. No.: 15-016195
Issue No.: 2001
Agency Case No.: [REDACTED]
Hearing Date: December 07, 2015
County: Macomb (12) Mt. Clemens

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

Following Petitioner'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 December 7, 2015, from Detroit, Michigan. The Petitioner was represented by the Petitioner. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly close the Petitioner's Medical Assistance (MA) case?

FINDINGS OF FACT

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

1. The Department issued a Health Care Coverage Determination Notice on August 21, 2015, which closed the Petitioner's MA Healthy Michigan Plan (HMP) case due to excess income. The Notice indicates that the annual income used by the Department was \$ [REDACTED] and this income exceeds the HMP limit of \$ [REDACTED] Exhibit A.
2. The Petitioner is currently employed and did not dispute the Department's determination of her income to be \$ [REDACTED]
3. The Department used the Petitioner's wages for the month of July 2015 and found her income to be \$ [REDACTED] monthly. Exhibit B.

4. The Petitioner had been previously eligible for the Healthy Michigan Plan. The Petitioner is [REDACTED] years old and is not disabled.
5. The Petitioner requested a timely hearing on September 2, 2015, protesting 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 Petitioner did not dispute the Department's determination that the Petitioner's income was \$ [REDACTED] monthly ($\$ [REDACTED] \times 12 = \$ [REDACTED]$ Exhibits A and B. The Petitioner provided no evidence as regards her income based upon her tax return or that the total income was correct. The Department issued a Health Care Coverage Determination Notice dated August 21, 2015, advising the Petitioner that she no longer was eligible for HMP due to her income of \$ [REDACTED] exceeding the income limit for one person of \$ [REDACTED] Exhibit A.

The Health Michigan Plan provides MA coverage to individuals who (i) are 19 to 64 years of age; (ii) have income at or below 133 percent of the federal poverty level (FPL) under the Modified Adjusted Gross Income (MAGI) methodology; (iii) do not qualify for or are not enrolled in Medicare; (iv) do not qualify for or are not enrolled in other MA programs; (v) are not pregnant at the time of application; and (vi) are residents of the State of Michigan. MPM, Healthy Michigan Plan, § 1.1.

In this case, the Department determined that Petitioner was not income-eligible for HMP. An individual is eligible for HMP if her household's income does not exceed 133 percent of the FPL applicable to the individual's group size. A determination of group size under the MAGI methodology requires consideration of the client's tax filing status household size. In this case, Petitioner testified that she was the sole member of her household. Therefore, for MAGI purposes, she has a household size of one. MREM, § 5.2. 133 percent of the annual FPL in 2015 for a household with one member is \$ [REDACTED] <http://aspe.hhs.gov/POVERTY/15poverty.cfm>. Therefore, to be income eligible for HMP, Petitioner's annual income cannot exceed \$ [REDACTED]

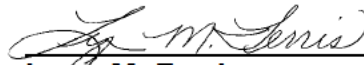
Petitioner verified that her sole income was monthly was from her employment in the amount of \$ [REDACTED] based upon check stubs for July 2015.. Based on monthly earned income of \$ [REDACTED] Petitioner's annual income is \$ [REDACTED] Although \$ [REDACTED] is less than the \$ [REDACTED] shown as Petitioner's annual income on the August 21, 2015, Health Care Coverage Determination Notice, it is over the \$ [REDACTED] income limit for HMP eligibility.

Department policy does provide that, if an individual's group's income is within 5 percent of the FPL for the applicable group size, a disregard is applied, making the person eligible for MA. MREM, § 7.2. 5 percent of the FPL for a one-person group is \$ [REDACTED] Exhibit C. Petitioner's household's annual income of \$ [REDACTED] less \$ [REDACTED] is \$ [REDACTED] Because \$ [REDACTED] still remains over the HMP income limit of \$ [REDACTED] Petitioner is not income eligible for HMP even when the 5 percent disregard is applied. Therefore, the Department acted in accordance with Department policy when it concluded that Petitioner was ineligible for HMP and closed her MA under that program.

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 closed the Petitioner's HMP due to her income exceeding the income limit.

DECISION AND ORDER

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



Lynn M. Ferris

Administrative Law Judge
for Nick Lyon, Director

Department of Health and Human Services

Date Mailed: **12/29/2015**

LMF/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:

