

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-012706
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: October 06, 2015
County: St. Joseph

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on October 6, 2015 from Lansing, Michigan. Claimant and Claimant's spouse [REDACTED] both appeared and provided testimony. [REDACTED] (Eligibility Specialist) and [REDACTED] (Assistance Payments Supervisor) represented the Department of Health and Human Services (Department).

ISSUE

Did the Department properly determine Claimant's eligibility for Medical Assistance (MA)?

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, at all relevant times, received \$ [REDACTED] per month from RSDI (social security), which is \$ [REDACTED] projected annually.
2. On August 26, 2014, the Department mailed Claimant a Health Care Coverage Determination Notice (DHS-1606) which determined that Claimant and his spouse were eligible for MA effective August 1, 2014. (Exhibit 1, pp 3-5)
3. On June 16, 2015, the Department mailed Claimant a Redetermination (DHS-1010). (Exhibit 1, p 6)
4. Claimant returned the completed Redetermination (DHS-1010) on June 30, 2015 which indicated, among other things, that he received RSDI in the amount of \$ [REDACTED] per month. (Exhibit 1, pp 6-11)

5. During redetermination, the Department discovered that Claimant and his spouse's MA eligibility were initially calculated incorrectly and that they should not have been approved for MA.
6. On July 17, 2015, the Department mailed Claimant a Health Care Coverage Determination Notice (DHS-1606) which closed the MA case due to excess income. (Exhibit 1, pp 12-14)
7. On July 27, 2015, Claimant requested a hearing to dispute the MA closure.

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.

The Healthy Michigan Plan (HMP) is a new category of eligibility of eligibility authorized under the Patient Protection and Affordable Care Act and Michigan Public Act 107 of 2013. See MSA 13-35 (September 9, 2013) and MSA 14-11 (February 27, 2014).

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. See Michigan Department of Community Health, Modified Adjusted Gross Income Related Eligibility Manual, May 28, 2014, p. 2 and Federal Register, Vol. 80, No. 14, January 22, 2015, pp. 3236-3237.

Eligibility for the Healthy Michigan Plan is determined through the MAGI methodology, coordinated through the Department of Human Services. All criteria for the Modified Adjusted Gross Income (MAGI) eligibility must be met to be eligible for the Healthy Michigan Plan. See MSA 13-35 (September 9, 2013) and MSA 14-11 (February 27, 2014).

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

Here, the Department contends that Claimant's initial MA application was automatically processed incorrectly and that his spouse was never eligible for MA due to excess income. Claimant does not dispute the amount of the monthly RSDI income nor does he challenge the Department's calculation. Rather, Claimant argues that the Department's policy is unjust.

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).

With regard to Claimant's challenge to the Department's policy, this Administrative Law Judge does not find that the applicable MA policy fails to conform to federal or state law. In addition, Administrative law judges have no authority to make decisions on constitutional grounds, overrule statutes, overrule promulgated regulations or overrule or make exceptions to the department policy set out in the program manuals. Rather, the ALJ determines the facts based only on evidence introduced at the hearing, draws a conclusion of law, and determines whether DHS policy was appropriately applied. Furthermore, established Michigan case law provides that administrative adjudication is an exercise of executive power rather than judicial power, and restricts the granting of equitable remedies. *Michigan Mutual Liability Co, v Baker*, 295 Mich 237; 294 NW 168 (1940).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. The material, competent and substantial evidence on the whole record shows that the Department, following redetermination, correctly determined that Claimant was not eligible for MA. The Department determined that Claimant (and his spouse) was not eligible for HMP because his income exceeded the limit for this program. This was based on verification of RSDI unearned income from Claimant's husband. Claimant's annual income was \$ [REDACTED]. According to the MAGI methodology, a household size of 2 for a member between the ages of 19 and 64 is \$ [REDACTED]. Accordingly, the Department properly determined Claimant's eligibility for MA based on the available income information. Claimant's income, at the time this application was processed, exceeded the income limit for HMP. There was no evidence that Claimant met the eligibility criteria for any other MA category.

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 Claimant's MA case based on income in excess of the HMP program limit.

DECISION AND ORDER

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



C. Adam Purnell
Administrative Law Judge
for Nick Lyon, Director
Department of Human Services

Date Signed: 10/12/2015

Date Mailed: 10/12/2015

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 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:

