

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

**IN THE MATTER OF:**



MAHS Reg. No.: 15-020125  
Issue No.: 2001  
Agency Case No.: [REDACTED]  
Hearing Date: January 21, 2016  
County: St. Joseph

**ADMINISTRATIVE LAW JUDGE:** C. Adam Purnell

**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 three-way telephone conference hearing was held on January 21, 2016, from Lansing, Michigan. Petitioner personally appeared and provided testimony. [REDACTED] (Assistance Payments Supervisor) and [REDACTED] (Eligibility Specialist) represented the Department of Health and Human Services (Department).

**ISSUE**

Did the Department properly close Petitioner's Medical Assistance (MA) Healthy Michigan Plan (HMP) due to excess income?

**FINDINGS OF FACT**

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

1. Petitioner was active for MA-HMP benefits.
2. Petitioner was employed at [REDACTED] during the relevant time period.
3. On or about September 1, 2015, the Department received Petitioner's completed Semi-Annual Contact Report (DHS-1046) which indicated no changes in household income or assets. [Exhibit 1, pp. 4-5].
4. During the pay period ending August 4, 2015, Petitioner earned \$ [REDACTED] in gross income. [Exh. 1, p. 5].
5. During the pay period ending August 18, 2015, Petitioner earned \$ [REDACTED] in gross income. [Exh. 1, p. 6].

6. Petitioner sent the Department copies of her paystubs from [REDACTED] for August, 2015. [Exh. 1, pp. 5-6].
7. The Department calculated that Petitioner's August, 2015 paystubs demonstrated that she had \$ [REDACTED] in projected annual income and that she exceeded the \$ [REDACTED] income limit for HMP eligibility. [Exh. 1, pp. 7-8].
8. On October 13, 2015, the Department mailed Petitioner a Health Care Coverage Determination Notice (DHS-1606) which closed her HMP case due to excess income. [Exh. 1, pp. 7-9].

### **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) provides health care coverage for a category of eligibility authorized under the Patient Protection and Affordable Care Act and Michigan Public Act 107 of 2013 effective April 1, 2014. BEM 137 (1-1-2016), p. 1. HMP is based on Modified Adjusted Gross Income (MAGI) methodology. BEM 137, p. 1.

For HMP, the income limit for adults age 19-64 is 133 percent of the federal poverty limit. Michigan Department of Community Health, Modified Adjusted Gross Income Related Eligibility Manual, May 28, 2014, p. 2. The Health Care Coverage Determination Notice provides a chart of the annual income limits for HMP. For a group size of one individual age 19-64, the annual income limit is \$15,654.10. See also Federal Register, Vol. 80, No. 14, January 22, 2015, pp. 3236-3237.

Here, the Department determined that Petitioner was not eligible for HMP because her income exceeded the limit for this program. This was based on verification of Petitioner's earned income through her August, 2015 paystubs from her employment at [REDACTED]. Petitioner's projected 2015 annual income, based on the paystubs, was \$ [REDACTED] [See Exh. 1, pp. 5-6]. Petitioner testified that the Department's numbers could be incorrect, but she did not give any specific details.

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).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. Here, the Health Care Coverage Determination Notice indicates the Department determined Petitioner's annual income was \$ [REDACTED] which was based on the paystubs in the record. The record also shows that the Department's income calculation was correct for the month in question. Petitioner did not provide any evidence to show that the Department's calculation of her income was incorrect.

The material, competent and substantial evidence on the whole record shows that the Department properly determined Petitioner's eligibility for MA based on the available income information. Petitioner's income, at the time this application was processed, exceeded the income limit for HMP.

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 Petitioner's MA-HMP case due to excess income. Petitioner is certainly entitled to reapply for assistance if necessary.

### **DECISION AND ORDER**

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

IT IS SO ORDERED.



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

Date Mailed: 1/22/2016

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:



