



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

MIKE ZIMMER
DIRECTOR

[REDACTED]

Date Mailed: March 14, 2014
MAHS Docket No.: 15-024264
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Susanne E. Harris

HEARING DECISION

PROCEDURAL HISTORY

Following the 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 March 3, 2016, from Lansing, Michigan. The Petitioner was represented by her husband, [REDACTED]. The Department of Health and Human Services (Department) was represented by Hearing Facilitator, [REDACTED].

The following exhibits were offered and admitted into evidence:

Petitioner: none.

Department: A-November 30, 2015 DCH-1426, Application for Health Coverage.
B-December 1, 2015 employment and income verification.
C- MAGI Eligibility Determination.
D- DHS-1606, Health Care Coverage Determination Notice.

ISSUE

Did the Department properly deny the Petitioner's application for Medical Assistance (MA), 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. November 30, 2015, the Petitioner applied for MA.

2. On December 10, 2015, the Department received the Petitioner's husband's verification of income. The Petitioner's MA budget is computed by dividing the Petitioner's husband's year-to-date income as of December 1, 2015, by 11 months. This is to account for the month of January through November as his income had not yet been reported for December. This is a monthly income of \$ [REDACTED] and an annual income of \$ [REDACTED]
3. The Petitioner's group size is five and the income limit for the Petitioner for MAGI \$ [REDACTED]
4. On December 11, 2015, the Department sent the Petitioner a DHS-1606, Health Care Coverage Determination Notice, informing the Petitioner that she and her husband were not eligible for MA because they were not under 21, pregnant, or a caretaker of a minor child in their home. They were also not over 65, blind or disabled.
5. On December 22, 2015 the Department received the Petitioner's written hearing request protesting the Department's denial of her application.

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.

Additionally, Bridges Eligibility Manual (BEM) 105 (2014) p. 2, provides that persons may qualify under more than one MA category. Federal law gives Petitioner's the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income.

In this case, the DHS-1606, Health Care Coverage Determination Notice is clearly wrong. It indicates that no income was considered in making the MAGI determination and incorrectly states that the Petitioner and her husband care for no minor children. The Department testified that the eligibility determination was based excess income. The evidence does support that the Petitioners may have excess income for MAGI; however, there is no evidence contained in the record that the Department considered the Petitioner's eligibility under Group 2 as parents. This Administrative Law Judge

concludes that the Petitioners were not afforded and eligibility determination which considered the most beneficial MA category for them.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it took action to deny the Petitioner's application for MA.

DECISION AND ORDER

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Redetermine the Petitioners eligibility for MA back to November 30, 2015, and
2. issue the Petitioners any supplement they may be due, and
3. issued the Petitioners a new benefit notice documenting the new eligibility determination, and
4. the Petitioners shall retain the right to request a hearing on the new eligibility determination.



SH/nr

Susanne E. Harris
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

DHHS

[REDACTED]

Petitioner

[REDACTED]