



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: July 27, 2016  
MAHS Docket No.: 16-008545  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Darryl Johnson

### **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 hearing was held on July 26, 2016, from Lansing, Michigan. The Petitioner appeared on his own behalf. The Department of Health and Human Services (Department) was represented by Assistance Payments Supervisor [REDACTED] and Assistance Payments Worker [REDACTED].

### **ISSUE**

Did the Department properly deny Petitioner's application for Medical Assistance (MA) through the Healthy Michigan Plan (HMP)?

### **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 an on-going recipient of HMP.
2. On April 9, 2016, Petitioner applied for Food Assistance Program (FAP) benefits.
3. When he applied for FAP, Petitioner reported that he was working at a job where he was paid \$ [REDACTED] per hour for 25 hours of work each week.

4. Petitioner provided the Department with an earnings statement (Exhibit 1 Page 4) showing that he had earned \$ [REDACTED] for the bi-weekly period ending April 9, 2016, and \$ [REDACTED] since he began the job on February 2, 2016.
5. Petitioner is [REDACTED] years old and lives alone.
6. The income limit for an individual between 19 and 64 years of age is \$15,800.00 to be eligible for HMP.
7. On April 28, 2016, the Department mailed a Health Care Coverage Determination Notice (Exhibit 1 Pages 7-8) informing him his HMP would be closing as of June 1, 2016 because he exceeded the income limits.
8. The Department received Petitioner's hearing request on June 16, 2016.

### **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 closed Petitioner's HMP because it concluded he exceeded the income limits for the program. The evidence shows that he earned \$ [REDACTED] during the nine weeks between February 2, 2016 and April 9, 2016. That is an average of \$ [REDACTED] per week, or \$ [REDACTED] per year. The one paycheck he provided showed he earned \$ [REDACTED] in a bi-weekly period, or \$ [REDACTED] per week, or \$ [REDACTED] per year. Even using his self-reported income of \$ [REDACTED] per hour for 25 hours per week, he was earning \$ [REDACTED] per week, or \$ [REDACTED] per year.

The Department uses an annualized figure of \$15,800.00 as the upper limit for a single adult (non-senior) to be eligible for HMP. That works out to \$303.85 per week. No matter which figures are used, everything points to Petitioner exceeding the income limit. The policy does not allow a person to be eligible just because they have not yet exceed the \$15,800.00 limit in a calendar year. The Department is to take their actual gross income and annualize it, then compare it with the limit. If they exceed the limit,

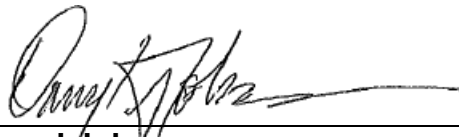
even after one week at work (assuming the work is expected to be consistent) based upon their projected annual income, then they are not eligible.

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 HMP.

**DECISION AND ORDER**

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

DJ/mc



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**Darryl Johnson**  
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]