



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

Date Mailed: December 12, 2016
MAHS Docket No.: 16-014309
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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 October 27, 2016, from Lansing, Michigan. Petitioner and their spouse appeared and testified. The Department was represented by Assistance Payments Worker [REDACTED] and Assistance Payments Supervisor [REDACTED]. Department's Exhibit A, pages 1-21 was admitted into evidence.

ISSUE

Did the Department properly determine that Petitioner was not eligible for Medical Assistance (MA) on September 12, 2016?

FINDINGS OF FACT

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

1. [REDACTED] was an ongoing recipient of Medical Assistance (MA) under the Healthy Michigan Plan.
2. [REDACTED] was an ongoing recipient of Medical Assistance (MA) under the Healthy Michigan Plan.
3. On July 30, 2016, [REDACTED] and [REDACTED] were married. The marriage was reported to the Department.

4. On August 19, 2016, a Verification Checklist (DHHS-3503) was sent out requesting the last 30 days of income for both [REDACTED] and [REDACTED].
5. On August 24, 2016, income verifications were submitted. [REDACTED] income verification consisted of: a July 1, 2016 paycheck stub for total gross amount of \$[REDACTED]; a July 29, 2016 paycheck stub for total gross amount of \$[REDACTED]; and an August 12, 2016 paycheck stub for total gross amount of \$[REDACTED]. [REDACTED] income verification consisted of: an August 15, 2016 paycheck stub for the period July 1-31, 2016 for a gross amount of \$[REDACTED]; and a separate August 2, 2016 paycheck stub for the period July 1-31, 2016 for a gross amount of \$[REDACTED].
6. On September 12, 2016, the Department sent out a Benefit Notice (DHS-176) which stated [REDACTED] MAGI income was \$[REDACTED] per month and [REDACTED] MAGI income was \$[REDACTED] per month. The notice also stated that their Medical Assistance (MA) would end on October 1, 2016 because their combined MAGI income was \$[REDACTED] which exceeds the \$[REDACTED] income limit for a group of two.
7. On September 9, 2016, both Petitioner's submitted a hearing request.

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.

Bridges Eligibility Manual (BEM) 105 Medicaid Overview (7-1-2016) stated:

DEPARTMENT POLICY

MA Only

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. Medicaid is also known as Medical Assistance (MA). The Medicaid program comprise several sub-programs or categories. To receive MA under an SSI-related category, the person

must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled.

Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MICHild and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology.

MONTHLY DETERMINATIONS

Medicaid eligibility is determined on a calendar month basis. Unless policy specifies otherwise, circumstances that existed, or are expected to exist, during the calendar month being tested are used to determine eligibility for that month.

When determining eligibility for a future month, assume circumstances as of the processing date will continue unchanged unless you have information that indicates otherwise.

Bridges Eligibility Manual (BEM) 137 Healthy Michigan Plan (1-1-2016) stated: DEPARTMENT POLICY

MA Only

The Healthy Michigan Plan (HMP) is based on Modified Adjusted Gross Income (MAGI) methodology.

Income

Modified adjusted gross income must be at or below 133 percent of the Federal Poverty Level (FPL).

Bridges Eligibility Manual (BEM) 500 Income Overview (1-1-2016) stated:

Modified Adjusted Gross Income (MAGI)

MAGI for purposes of Medicaid eligibility is a methodology which state agencies and the federally facilitated marketplace (FFM) must use to determine financial eligibility. It is based on Internal Revenue Service (IRS) rules and relies on federal tax information to determine adjusted gross income. It eliminates asset tests and special deductions or disregards.

Every individual is evaluated for eligibility based on MAGI rules. The MAGI rules are aligned with the income rules that will be applied for determination of eligibility for premium tax credits and cost-sharing reductions through exchanges.

Bridges Administration Manual (BAM) 210 Redetermination/Ex Parte Review (7-1-2016) states:

Medicaid

A redetermination is an eligibility review based on a reported change.

A renewal is the full review of eligibility factors completed annually.

In this case Petitioner's reported a change. The workers at the Department's local office requested verification of income and then entered the Petitioner's verified income into the BRIDGES computer program. BRIDGES then determined that Petitioners were no longer eligible for Medical Assistance (MA) because they exceeded the MAGI income limit.

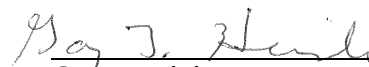
In the request for hearing, Petitioner's stated they feel their incomes were overstated and that they are being penalized for getting married. The Department submitted the income guidelines chart for MAGI limits (Department's Exhibit A page 6). The chart shows that for a group of one, the HMP income limit is \$ [REDACTED]. For a group of 2 the limit is \$ [REDACTED]. Petitioner's concern that the Patient Protection and Affordable Care Act 1902(a)(10)(A)(i)(VIII) of the Social Security Act penalizes marriage, is beyond the jurisdiction of an Administrative Law Judge conducting hearings on Department eligibility determinations. A challenge to the statute of that nature needs to be addressed in the Judicial Branch of government.

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 determined that Petitioner was not eligible for Medical Assistance (MA) on September 12, 2016.

DECISION AND ORDER

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

GH/nr



Gary Heisler
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]