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: February 17, 2017 MAHS Docket No.: 16-019293 Agency No.: Petitioner:

# ADMINISTRATIVE LAW JUDGE: Kevin Scully

# **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. After due notice, telephone hearing was held on February 8, 2017, from Lansing, Michigan. The Petitioner represented himself and his wife, testified on his behalf. The Department was represented by the testified on his behalf. The Department was represented by the testified on his behalf. The Department was represented by the testified on his behalf.

### **ISSUE**

Did the Department of Health and Human Services (Department) properly place Petitioner in the most beneficial category of 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. On June 16, 2016, the Department notified Petitioner that Petitioner is eligible for Medical Assistance (MA) with a **\$1000** monthly deductible. Exhibit A, pp 23-24.
- 2. The Petitioner received monthly earned income from employment in the gross monthly amount of **\$ 1000** in July of 2016, and his wife received monthly earned income from employment in the gross monthly amount of **\$ 1000** Exhibit A, pp 41-45.
- 3. On July 14, 2016, Petitioner requested a hearing, protesting his Medical Assistance (MA) benefits. Exhibit A, p 5.

- 4. On September 27, 2016, the Department notified Petitioner that he was eligible for Medical Assistance (MA) in July and August of 2016, with a monthly deductible. Exhibit A, pp 2-3.
- 5. On September 15, 2016, the Michigan Administrative Hearing System (MAHS) ordered the Department to initiate a redetermination of Petitioner's MA benefits, including deductible amounts for July and August of 2016. Exhibit A, pp 4-8.
- 6. On September 27, 2016, the Department certified that it had complied with the September 14, 2015, decision and order. Exhibit A, p 9.
- 7. Petitioner is eligible for Medical Assistance (MA) under the MA-G2C category with a **\$ and** monthly deductible from July 1, 2016, through August 31, 2016, and with a **\$ and** monthly deductible from September 1, 2016, through February 28, 2017. Exhibit A, p 33.
- 8. On December 22, 2016, the Department received Petitioner's request for a hearing protesting his Medical Assistance (MA) benefits. Exhibit A, p 3.

# 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.

Persons may qualify under more than one MA category. Federal law gives them 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. Department of Health and Human Services Bridges Eligibility Manual (BEM) 105 (October 1, 2014), p 2.

Petitioner is an ongoing MA recipient that requested a hearing on July 14, 2016, protesting the level of benefits he was receiving. On September 15, 2016, the Department was ordered to redetermine eligibility for MA benefits in July and August of 2016, based on Petitioner's reduced income that was not considered by the Department, and to determine whether this determination was correct.

The income limit to participate in the Healthy Michigan Plan (HMP) is 133% of the federal poverty level. Department of Health and Human Services Reference Table Manual (RFT) 246 (April 1, 2014), p 1.

Petitioner and his wife received gross monthly earnings of **\$1000** in July of 2016, which was not disputed during the hearing. The group's countable income for July of 2016 was 279% of the federal poverty level, and Petitioner is not eligible for MA benefits under the HMP category.

Freedom To Work (FTW) is a SSI-related Group 1 category of MA available to those with disabilities age 16 through 64 have earned income. Department of Health and Human Services Bridges Eligibility Manual (BEM) 174 (January 1, 2017), p 1.

Petitioner has not been found to be disabled and does not receive benefits from the Social Security Administration based on disability. Therefore, Petitioner does not meet the non-financial requirements for the FTW program.

MA benefits are available to parents and other caretaker relatives who meet the eligibility factors for the MA-G2C program. Department of Health and Human Services Bridges Eligibility Manual (BEM) 135 (October 1, 2015), p 1.

A review of Petitioner's case reveals that the Department budgeted correct amount of income received by the Petitioner. Petitioner's "protected income level" is and this amount cannot be changed either by the Department or by this Administrative Law Judge. Department of Human Services Reference Table Manual (RFT) 240 (December 1, 2013), p 1. Department's determination that the Petitioner has a **Security** deductible per month he must meet in order to qualify for MA for any medical expenses above is therefore correct.

This Administrative Law Judge finds that Petitioner does not qualify for MA benefits under any other 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 determined Petitioner's eligibility for Medical Assistance (MA) for July and August of 2016.

# DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

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Kevin Scully Administrative Law Judge for Nick Lyon, Director Department of Health and Human Services

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**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



Petitioner