



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: November 27, 2017
MAHS Docket No.: 17-011052
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, an in-person hearing was held on September 26, 2017, from Grand Rapids, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services was represented by [REDACTED] Family Independence Manager.

ISSUE

Did the Department properly determine the Petitioner's eligibility for Medicaid (MA) Savings Program (MSP)?

FINDINGS OF FACT

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

1. The Petitioner was a recipient of Social Security Administration RSDI benefits in the amount of \$ [REDACTED] per month. Department Exhibit 1, pgs. 6-8.
2. On January 17, 2017, the Petitioner submitted a benefit letter from SSA that she had now incurred the expense of Medicaid premiums along with current paystubs from her employment. Department Exhibit 1, pgs. 3-5.
3. On January 19, 2017, the Department Caseworker ran a new budget for the Petitioner based on SSA award and earned income that resulted in the Petitioner being switched from the Healthy Michigan Program to MA Ad-Care effective February 2017. An MSP budget was not run at this time. Department Exhibit 1,

pgs. 9-10. A notice was sent by the Department to the Petitioner, but a copy was not included in the hearing packet.

4. On June 13, 2017, the Petitioner submitted to the Department current paystubs for her earned income. Department Exhibit 1, pgs. 11-12.
5. On July 18, 2017, the Department Caseworker ran a new MA and MSP budget. The Petitioner's MA Ad-Care was switched to a Group 2 spend down of \$ [REDACTED] effective August 1, 2017 and ALMB (MSP) was approved effective August 1, 2017. The Petitioner was not eligible for June 2017 and July 2017 because she was active MA Ad-Care. Department Exhibit 1, pgs. 13-14, 23.
6. On July 18, 2017, the Department Caseworker sent the Petitioner a Health Care Coverage Determination Notice, DHS 1606, that she was eligible for MSP effective August 1, 2017 with an annual income of \$ [REDACTED]. The Petitioner was not eligible for June 2017 and July 2017 because she was full MA. Department Exhibit 1, pgs. 15-17.
7. On August 10, 2017, the Department Caseworker ran a MSP budget for the retro months, but MSP was denied due to the Petitioner being active MA Ad-Care. Department Exhibit 1, pg. 18 and 22.
8. On August 10, 2017, the Department Caseworker sent the Petitioner a Health Care Coverage Determination Notice, DHS 1606, that she was not eligible for MSP from March 1, 2017 through July 31, 2017, because she had full MA coverage. Department Exhibit 1, pgs. 19-20.
9. On August 15, 2017, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

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 Petitioner was a recipient of Social Security Administration RSDI benefits in the amount of \$ [REDACTED] per month. Department Exhibit 1, pgs. 6-8. On January 17, 2017, the Petitioner submitted a benefit letter from SSA that she had now incurred the expense of Medicaid premiums along with current paystubs from her employment. Department Exhibit 1, pgs. 3-5. On January 19, 2017, the Department Caseworker ran a new budget for the Petitioner based on SSA award and earned income that resulted in the Petitioner being switched from the Healthy Michigan Program to MA Ad-Care effective February 2017. An MSP budget was not run at this time. Department Exhibit 1, pgs. 9-10. A notice was sent by the Department to the Petitioner, but a copy was not included in the hearing packet.

On June 13, 2017, the Petitioner submitted to the Department current paystubs for her earned income. Department Exhibit 1, pgs. 11-12. On July 18, 2017, the Department Caseworker ran a new MA and MSP budget. The Petitioner's MA Ad-Care was switched to a Group 2 spend down of \$ [REDACTED] effective August 1, 2017 and ALMB (MSP) was approved effective August 1, 2017. The Petitioner was not eligible for June 2017 and July 2017, because she was active MA Ad-Care. Department Exhibit 1, pgs. 13-14, 23. On July 18, 2017, the Department Caseworker sent the Petitioner a Health Care Coverage Determination Notice, DHS 1606, that she was eligible for MSP effective August 1, 2017 with an annual income of \$ [REDACTED]. The Petitioner was not eligible for June 2017 and July 2017 because she was full MA. Department Exhibit 1, pgs. 15-17.

On August 10, 2017, the Department Caseworker ran a MSP budget for the retro months, but MSP was denied due to the Petitioner being active MA Ad-Care. Department Exhibit 1, pg. 18 and 22. On August 10, 2017, the Department Caseworker sent the Petitioner a Health Care Coverage Determination Notice, DHS 1606, that she was not eligible for MSP from March 1, 2017 through July 31, 2017 because she had full MA coverage. Department Exhibit 1, pgs. 19-20. On August 15, 2017, the Department received a hearing request from the Petitioner, contesting the Department's negative action. BEM 165, 163, 166, and 137. BAM 110, 115, 220, and 810. RFT 242.

During the hearing, the Petitioner stated that she was healthy and did not need MA. What she did want was for the State of Michigan to pay for her MSP. She did not want the \$ [REDACTED] taken out of her SSA RSDI benefits every month. However, the Department had determined her eligibility for MA based on earned and unearned income. The Department is required by policy to give the Petitioner the most beneficial MA program that she is eligible for. The Petitioner could have contacted the Department and asked them to close her MA case and that she only wanted MSP and for the State of Michigan to pay it if she was eligible based on her income. I have no written or verbal verification that the Petitioner informed the Department that she did not want MA only MSP until her hearing request submitted to the Department on August 15, 2017. Since the Petitioner received full MA from February 2017 through July 2017, she is not eligible for MSP for those months based on policy until August 1, 2017. BEM 165, pg. 6.

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 the Petitioner was eligible

for full MA based on income from February 2017 until July 2017. In August 2017, the Petitioner was eligible for MSP because her full MA, Ad-Care case, closed based on excess income and she was eligible for MA group 2 spend down.

DECISION AND ORDER

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



CF/nr

Carmen G. Fahie
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]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]