



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: March 8, 2018  
MAHS Docket No.: 18-000202  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton**

**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, a telephone hearing was held on March 1, 2018, from Detroit, Michigan. The Petitioner was represented by Petitioner. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED], Assistance Payments Supervisor.

**ISSUE**

Did the Department properly determined that Petitioner was ineligible for Medicare Savings Plan (MSP) benefits effective December 1, 2017?

**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 August 22, 2017, Petitioner submitted an application for Medical Assistance (MA) benefits.
2. In the application, Petitioner reported that he was married.
3. The Department received documentation which revealed that Petitioner's wife receives [REDACTED] monthly in pension income.
4. Petitioner receives [REDACTED] monthly in income from the Social Security Administration.

5. On November 6, 2017, the Department sent Petitioner a Health Care Coverage Determination Notice which notified Petitioner that he was not eligible for MSP benefits effective December 1, 2017.
6. On January 4, 2017, Petitioner filed a Request for Hearing disputing the Department's actions.

### **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, Medicare Savings Programs are SSI-related MA categories. They are neither Group 1 nor Group 2. There are three categories that make up the Medicare Savings Programs. The three categories are:

1. Qualified Medicare Beneficiaries (QMB).

This is also called full-coverage QMB and just QMB. Program group type is QMB.

2. Specified Low-Income Medicare Beneficiaries (SLMB).

This is also called limited-coverage QMB and SLMB. Program group type is SLMB.

3. Q1 Additional Low-Income Medicare Beneficiaries (ALMB).

This is also referred to as ALMB and as just Q1. Program group type is ALMB. BEM 165 (October 2016), p. 1.

Additionally, QMB pays: Medicare premiums, Medicare coinsurances, and Medicare deductibles. SLMB pays Medicare Part B premiums. ALMB pays Medicare Part B premiums provided funding is available. BEM 165 (October 2016), p. 2. However, income is a major determiner of category.

QMB	Net income <b>cannot</b> exceed 100% of poverty.
SLMB	Net income is over 100% of poverty, but <b>not</b> over 120% of poverty.
ALMB (Q1)	Net income is over 120% of poverty, but <b>not</b> over 135% of poverty.

BEM 165, pg. 1.

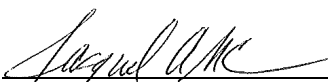
The Department determined that Petitioner was not eligible for any of the above programs. The Department provided a budget in support of its determination. Petitioner receives ██████ in unearned income. Petitioner's wife receives ██████ in unearned income. Petitioner is entitled to receive a general exclusion deduction in the amount of ██████ BEM 541. (October 2017), p. 3. Accordingly, after the general exclusion deduction, Petitioner's net income was ██████. Further, the maximum income the fiscal group could receive was ██████. RFT 242 (April 2017), p. 1. Thus, the Department properly determined that he exceeded the allowable amount to qualify for QMB, SLMB or ALMB benefits.

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 exceeded the allowable amount to qualify for QMB, SLMB or ALMB benefits.

**DECISION AND ORDER**

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

JAM/tlf

  
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**Jacquelyn A. McClinton**  
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

**Via Email:**

[REDACTED]

**Petitioner – Via First-Class Mail:**

[REDACTED]