



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

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Date Mailed: April 16, 2018
MAHS Docket No.: 17-017006
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 29, 2018, from Detroit, Michigan. The Petitioner was represented by attorney ██████████ ██████████ and ██████████ ██████████ Petitioner's Guardian. The Department of Health and Human Services (Department) was represented by ██████████, Family Independence Manager.

ISSUE

Did the Department properly determine the Petitioner's Medical Assistance Deductible amount?

Did the Department properly determine that the Petitioner's was eligible for the SLMB Medicare Savings Program?

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 applied for Medical Assistance on December 12, 2012.
2. The Department issued a Health Care Coverage Determination Notice on December 15, 2017 approving the Petitioner for Medical Assistance subject to a monthly deductible for December 2017 of ██████████ and January 1, 2018 ongoing in the amount of ██████████. Exhibit A.
3. The Petitioner is presently receiving medical assistance (MA) with a spend down amount of ██████████ a month. Exhibit A

4. The Petitioner also receives Medicare Savings Program benefits (MSP) which pays for his monthly Medicare Part B premium beginning February 1, 2016.
5. The Petitioner receives RSDI from Social Security in the amount of [REDACTED] monthly as of December 2017 and is disabled. Exhibit D.
6. The Petitioner receives Medicaid subject to a deductible of [REDACTED] monthly. Exhibit G as of January 1, 2018.
7. The Petitioner's Attorney filed a hearing request on January 4, 2018 protesting 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.

In this case, at the hearing the Petitioner's attorney after questioning the Department witness and reviewing the SOLQ, confirmed that the Petitioners' monthly income from [REDACTED] is [REDACTED] a month. The income limit for full coverage Medicaid [REDACTED] is [REDACTED]. The Petitioner was correctly determined not eligible for Ad-Care as his gross income from RSDI of [REDACTED] monthly exceeds the income limit for a group size of one. RFT 242 (April 2017), p. 1. A review of the MA deductible budget was made at the hearing and was determined to be correct based upon RSDI income of [REDACTED] a protective income limit for Washtenaw County of [REDACTED] and an unearned income deduction of [REDACTED] and a [REDACTED] amount. Exhibit G. It should be noted that the undersigned incorrectly suggested at the hearing that if the Part B premium were paid by the Petitioner he would be eligible for [REDACTED], this suggestion was incorrect. Ad-Care is based upon meeting the income requirement of [REDACTED] found in RFT 242 and is based upon the gross income received for RSDI without any deduction. When determining eligibility for Ad-Care RSDI income is determined as follows:

Countable RSDI for fiscal group members is the gross amount for the previous December when the month being tested is January, February or March. Federal law requires that the cost-of-living increase received in January be disregarded for these three months. For all other

months, countable RSDI is the gross amount for the month being tested. For all other persons whose income must be considered, countable RSDI is always the gross amount for the month being tested. See BEM 163 (July 2017) p. 2-3.

Thus, it is concluded that the Department properly determined the Petitioner MA eligible for Medicaid Group 2 S with a spenddown deductible of [REDACTED] per month.

Thereafter, the Petitioner was also approved for the Medicare Savings Program SLMB which covers payment of the Part B premium. The income limit for SLMB for a MA group of 1 is [REDACTED]. RFT 242 (April 2017, p. 2. The Petitioner's income of [REDACTED] qualifies him for this program. Department policy provides the following as regards the Medicare Savings Program requirements:

The Medicare Savings Programs consist of 3 categories that make up the program which are:

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).

SLMB 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.

There are both similarities and differences between eligibility policies for the three categories. Benefits among the three categories also differ.

Income is the major determiner of category.

QMB net income cannot exceed for a MA group size of one is \$1,025.00 (pays Medicare premiums).

SLMB net income cannot exceed \$1,025.01 - \$1,226.00 (Pays Medicare Part B premiums).

ALMB net income cannot exceed \$1,644.01 - \$1,847.00 (Pays Medicare Part B premiums provided funding is available).

RFT 242 (April 2017) pp. 1-2.; BEM 165m (October 2016), pp. 1-2.

All MA eligibility factors must be met in the calendar month being tested.

There are also various begin dates for the 3 categories. For SLMB, which is the category the Petitioner is approved for the following applies

:

SLMB coverage is available for retro MA months and later months.

Note: SLMB is only available for months income exceeds the QMB limit. A person cannot choose SLMB in place of QMB in order for coverage to start sooner (example, to get retro MA). BEM 165, p. 4

In order to be income eligible for MSP, the applicant's net income must be within the limits of RFT 242. Income eligibility cannot be established with a patient pay amount or by meeting a deductible.

At the hearing it was determined that the Petitioner was eligible for SLMB which pays Medicare Part B premium because Petitioner's income does not exceed the income limit for that program. At the hearing there was some question with respect to what SLMB paid for. After a review of BEM 165 it is clear it pays the Part B premium in full. BEM 165, p. 2. In addition, the SOLQ was consistent with the SLMB coverage as it showed \$0 for the cost of the Part B premium and that there was no deduction from Petitioner's RSDI by the Social Security Administration, thus the Petitioner was not paying the Medicare Part B premium. The Department was under the incorrect impression that SLMB only paid for part of the Part B premium but as indicated above in BEM 165 SLMB pays the Part B premium.

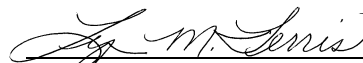
Based upon the evidence presented, it is determined that the Department correctly determined the Petitioner eligible for Medicaid Group 2 S subject to a deductible of [REDACTED]. The Department also correctly determined that Petitioner is eligible for Medicare Savings Program benefit known as SLMB based upon his income and is being reimbursed for his Medicare Part B premium.

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 the Petitioner Group 2 S Medicaid deductible for Petitioner and correctly determined that he was income eligible for Medicare Savings Program for SLMB.

DECISION AND ORDER

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

LF/tm



Lynn M. Ferris

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

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