



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]

Date Mailed: June 6, 2018
MAHS Docket No.: 18-003834
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler

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 June 4, 2018, from Detroit, Michigan. The Petitioner was self-represented. The Department of Health and Human Services (Department) was represented by Pamela McCaleb, Eligibility Specialist, and Laveda Brookins, Assistance Payments Supervisor.

ISSUE

Did the Department properly close Petitioner's Medical Assistance (MA) program Healthy Michigan Plan (HMP) benefits?

FINDINGS OF FACT

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

1. Petitioner was an ongoing recipient of HMP benefits.
2. On February 5, 2018, the Department issued a Redetermination for Petitioner's MA benefits.
3. On March 7, 2018, the Department received Petitioner's completed Redetermination form.
4. On March 28, 2018, the Department issued a Health Care Coverage Determination Notice (HCCDN) informing Petitioner that she would receive transitional Medicaid coverage for the month of April 2018, and would be ineligible for coverage as of May 1, 2018, as a result of her income being over the income limit.

5. On April 9, 2018, the Department received Petitioner's hearing request disputing the denial of coverage.
6. On April 10, 2018, Petitioner spoke with her case worker and alerted her to the fact that some of her wages reflect bonuses not received on a regular basis; therefore, her case worker reviewed the case, removed the largest wage value from March 2018 and supplemented it with the value of her other paycheck for March 2018; Petitioner was still over the income limit for HMP coverage.

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.

The Department denied Petitioner coverage for MA benefits because she does not meet program requirements. On page 17 of Exhibit A, the Department lists each program evaluated for Petitioner to determine her eligibility.

Medicaid is available (i) under Supplemental Security Income (SSI)-related categories to individuals who are aged (65 or older), blind or disabled, (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women, and (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage. BEM 105 (April 2017), p. 1.

Petitioner is not under age 21 or pregnant. No evidence was presented that she receives Medicare. No evidence was presented that Petitioner was a parent of someone under age 19, a caretaker, or a former foster child. Therefore, the programs for each of these groups are inapplicable to the Petitioner. If Petitioner was eligible for any MA program, her eligibility would fall within the HMP.

HMP provides MA coverage to individuals who (i) are 19 to 64 years of age; (ii) have income at or below 133% of the federal poverty level (FPL) under the Modified Adjusted Gross Income (MAGI) methodology; (iii) do not qualify for or are not enrolled in Medicare; (iv) do not qualify for or are not enrolled in other MA programs; (v) are not

pregnant at the time of application; and (vi) are residents of the State of Michigan. MPM, Healthy Michigan Plan, § 1.1. A determination of group size under the MAGI methodology requires consideration of the client's tax status and dependents.

Petitioner does not file federal income taxes. The household for a non-tax filer who is not claimed as a tax dependent, consists of the individual and, if living with the individual, their spouse among others. BEM 211, p. 2. No evidence was presented that Petitioner is married. Therefore, her group size is one, and 133% of the FPL for her group is \$16,146.20. <https://aspe.hhs.gov/poverty-guidelines>.

In reviewing Petitioner's income, the Department reviewed a Work Number Report. The Work Number Report is a voluntary program for employers which allows the Department to view work-related information such as start and end dates, wages, and other pertinent information related to their employment based upon an individual's Social Security Number. Petitioner's Work Number Report shows that she was employed at the time of the review and received two pay checks for \$ [REDACTED] and \$ [REDACTED]. When these wages for the month of March were added together and multiplied by 12, Petitioner's annual wages totaled \$ [REDACTED]. Petitioner's wages were well over the HMP threshold. However, if an individual's group income is within 5% of the FPL for the applicable group size, a disregard is applied, making the person eligible for MA. MREM, § 7.2. 5% of the FPL for a one-person group is \$607.00. Even after consideration of the 5% disregard, Petitioner does not meet the HMP eligibility requirements.

After Petitioner's request for hearing, the Department reviewed the Petitioner's wages based upon Petitioner's assertion that some wages reflect bonuses and should not be considered. Therefore, the Department disregarded the payment of \$ [REDACTED] and considered Petitioner's wage to be \$ [REDACTED] for each pay period totaling \$ [REDACTED] for the month and \$ [REDACTED] for the year. Again, Petitioner's wages are well above the HMP income limits even after consideration of the 5% disregard.

Petitioner did not provide pay stubs to the Department to enable the Department to better determine her actual wages without consideration of bonuses or other special circumstances. Therefore, the Department calculated Petitioner's wages as best as possible with the information available. 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 closed Petitioner's MA HMP case for being over the income limit and denying Petitioner other MA coverage effective May 1, 2018.

DECISION AND ORDER

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



AM/

Amanda M. T. Marler
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) 763-0155; 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

Jennifer Dunfee
MDHHS-Cass-Hearings

Petitioner

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[REDACTED]
[REDACTED] MI [REDACTED]

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D Smith
EQAD
A Marler
MAHS