



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: June 26, 2018  
MAHS Docket No.: 18-004155  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE: Christian Gardocki**

**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 14, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. ██████████, Petitioner's son, participated as a Bengali translator. The Michigan Department of Health and Human Services (MDHHS) was represented by Dionere Craft, hearing facilitator, and Lashanda Lejeune, specialist.

**ISSUE**

The issue is whether MDHHS properly determined Petitioner's Medical Assistance (MA) eligibility.

**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 Medicaid and Medicare Savings Program (MSP).
2. As of April 9, 2018, Petitioner received ongoing gross Retirement, Survivors and Disability Insurance (RSDI) of \$██████/month. (Exhibit A, pp. 3-5)
3. As of April 9, 2018, MDHHS was paying Petitioner's Medicare Part B premium.
4. As of April 9, 2018, Petitioner's spouse (hereinafter "Spouse") received ongoing gross Supplemental Security Income (SSI) of \$██████/month (Exhibit A, pp. 6-8)

5. On April 9, 2018, MDHHS determined Petitioner was ineligible for MA benefits.
6. On an unspecified date, MDHHS determined Petitioner was eligible for Medicaid subject to a \$█/month deductible. (Exhibit A, p. 10)
7. On April 17, 2018, Petitioner requested a hearing to dispute MA eligibility.
8. On an unknown subsequent date, MDHHS terminated Petitioner's eligibility for MSP.

### **CONCLUSIONS OF LAW**

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. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute a determination of Medicaid from May 2018. MDHHS presented a Health Care Coverage Determination Notice (HCCDN) (Exhibit A, pp. 11-12) dated April 9, 2018. The HCCDN informed Petitioner that he was not eligible for MA. MDHHS testimony indicated that Petitioner was actually eligible for Medicaid subject to a \$█/month deductible. MDHHS' testimony was consistent with a MA budget (Exhibit A, p. 10) and Eligibility Summary (Exhibit A, p. 9) (both from June 2018), which stated Petitioner was eligible for MA though subject to a deductible. Based on the evidence, the analysis will consider whether MDHHS properly determined Petitioner to be subject to a monthly deductible.

Medicaid is also known as Medical Assistance (MA). The MA program comprise several sub-programs or categories. To receive MA under a Supplemental Security Income (SSI)-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. MA eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MIChild and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology. BEM 105 (April 2017), p. 1.

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, the least amount of excess income or the lowest cost share. *Id.*, p. 2.

The evidence provided no indication that Petitioner qualified for any MA category through MAGI. Petitioner was disabled and/or aged. As a disabled and/or aged

individual, Petitioner is potentially eligible to receive MA through AD-Care. BEM 163 outlines the procedures for determining AD-Care eligibility.

Petitioner was a married individual. Petitioner's spouse was an SSI recipient. For purposes of Petitioner's SSI-related MA eligibility, Spouse is excluded as a group member due to her status as an SSI recipient (see BEM 211 (January 2016) p. 11). Because Spouse is excluded, Petitioner's MA eligibility is based on a one-person group.

Gross amount means the amount of RSDI before any deduction, such as Medicare. BEM 163 (July 2017), p. 2. [For all programs,] Bridges counts the gross [RSDI] benefit amount as unearned income. BEM 503 (July 2017), p. 31. BEM 500 lists some exceptions to counting gross RSDI in determining program eligibility (e.g. Medicare premium refunds, returned benefits (see BEM 500), fees paid to qualified organizations acting as a payee ...); the evidence was not indicative that any exceptions were applicable to the present case.

Petitioner's only income was \$ [REDACTED] in RSDI. MDHHS gives AD-Care budget credits for employment income, guardianship and/or conservator expenses and cost of living adjustments (COLA) (for January through March only). None of the expenses were applicable to the present case.

Net income cannot exceed 100 percent of the federal poverty level. *Id.*, p. 2. The income limit for Petitioner's AD-Care group is \$ [REDACTED] which is stated to be the federal poverty limit plus a \$20 disregard. RFT 242 (April 2017) p. 1. Petitioner's group's countable income exceeds the AD-Care limit. Thus, Petitioner is not eligible for MA through AD-Care.

Petitioner may still receive MA subject to a monthly deductible through the G2S program. Clients with a deductible may receive MA if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses ... that equal or exceed the deductible amount for the calendar month. BEM 545 (July 2016), p. 11.

Determining G2S eligibility begins with Petitioner's gross RSDI of \$ [REDACTED]/month. MDHHS allows a \$20 income disregard and employment income disregards. For purposes of G2S eligibility, Petitioner's net income is \$ [REDACTED]

The G2S budget gives credits for ongoing medical expenses (which are applied toward a deductible), insurance premiums, and remedial services. Petitioner did not allege any expenses other than payment of a Part B premium.

Petitioner credibly testified that the Social Security Administration (SSA) recently began reducing his RSDI by \$ [REDACTED]/month for payment of Part B Medicare. Petitioner did not present any documentation verifying his testimony.

MDHHS presented a State Online Query (SOLQ) (Exhibit A, pp. 3-5) dated April 23, 2018. The SOLQ listed coding that Petitioner was an ongoing recipient of Medicare Part B premium assistance from MDHHS. Given the evidence, it must be found that as of Petitioner's hearing request date, Petitioner was not responsible for payment of a \$ [REDACTED] insurance premium.

A client's deductible is calculated by subtracting the protected income level (PIL) from the countable MA net income. A PIL is a standard allowance for non-medical need items such as shelter, food and incidental expenses. The PIL for Petitioner's shelter area and group size is \$375 (see RFT 240 (December 2013), p. 1).

Subtracting the PIL and insurance premium from Petitioner's countable income results in a monthly deductible of \$ [REDACTED] the same amount calculated by MDHHS. It is found that MDHHS properly determined Petitioner's MA eligibility.

Petitioner also stated that he also wanted to dispute MDHHS' stoppage in payment of his Medicare premium. Petitioner's stated dispute concerns MSP eligibility which assists clients with payment of a Medicare Part B premium.

There is only administrative hearing jurisdiction to address actions that happened on or before the date of Petitioner's hearing request. As of Petitioner's hearing request submission, the evidence did not verify that Petitioner was responsible for payment of a Medicare premium. Without such evidence, there is no administrative hearing jurisdiction to address Petitioner's dispute. Thus, the analysis cannot consider Petitioner's stated hearing dispute. Petitioner is encouraged to request a hearing disputing MSP eligibility if it remains unsatisfactorily resolved.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner to be eligible for Medicaid subject to a \$ [REDACTED]/month deductible. The actions taken by MDHHS are **AFFIRMED**.

CG/



**Christian Gardocki**

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**

Clarence Collins  
MDHHS-Wayne-55-Hearings

**Petitioner**

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

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D Smith  
EQAD  
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