



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR



Date Mailed: August 7, 2018
MAHS Docket No.: 18-005890
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

HEARING DECISION

Following Petitioner's June 13, 2018, request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on August 2, 2018, from Lansing, Michigan. [REDACTED] [REDACTED] Petitioner's spouse, appeared on behalf of Petitioner. Dawn Dann, Eligibility Specialist, and Lesley Coffee, Family Independence Manager, appeared on behalf of the Department.

One exhibit was admitted into evidence during the hearing. A 36-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Did the Department properly deny Petitioner health care coverage effective July 1, 2018?

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 and his spouse applied for medical assistance from the Department. In the application Petitioner submitted, Petitioner indicated that he was disabled. In the application Petitioner submitted, Petitioner indicated that his spouse had employment income from [REDACTED] where she worked 40 hours per week and earned \$16.50 per hour.
2. Petitioner provided payroll remittance stubs to the Department from May 2018.

3. On June 1, 2018, the Department issued a Health Care Coverage Determination Notice to Petitioner. The Determination notified Petitioner that he and his spouse were denied health care coverage. The Determination indicated that their income was too great to be eligible for health care coverage under the Healthy Michigan Plan.
4. The Department did not consider whether Petitioner was eligible for coverage for a disabled person.
5. On June 1, 2018, Petitioner filed a hearing request to dispute the Department's Health Care Coverage Determination.

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.

Health care coverage for adults is available through the Healthy Michigan Plan. In order for an individual to be eligible for health care coverage under the Healthy Michigan Plan, the individual must be age 19 to 64 and the household income cannot exceed 133% of the Federal Poverty Level (FPL). BEM 137 (April 1, 2018), p. 1. The FPL for a household of two was \$16,460.00 in 2018. 83 FR 2642-2644 (January 18, 2018). Thus, the income limit for the Healthy Michigan Plan was \$21,891.80. Petitioner's income exceeded \$21,891.80 because Petitioner's spouse worked 40 hours per week and earned \$16.50 per hour.

The Department sent a May 30, 2018, Determination to Petitioner which denied Petitioner and his spouse health care coverage. The Department denied Petitioner and his spouse based on their income because they made too much to be eligible for the Healthy Michigan Plan. The Department properly denied health care coverage under the Healthy Michigan Plan due to income. However, the Department did not consider Petitioner's eligibility for health care coverage for a disabled person, even though Petitioner indicated that he was disabled when he applied for health care coverage.

There are numerous health care coverage programs through Medicaid. BEM 105 (April 1, 2017). An individual may qualify for coverage under more than one program and has

a right to coverage under the most beneficial program. BEM 105, p. 2. The most beneficial program is the one that results in eligibility, the least amount of excess income, and the lowest cost share. BEM 105, p. 2.

When eligibility does not exist under other programs such as the Healthy Michigan Plan, the Department should consider eligibility for group 2 aged, blind, and disabled. BEM 166 (April 1, 2017), p. 1. In order to be eligible for benefits under this program, an individual must be aged 65 or older, blind, or disabled. BEM 166, p. 1. An individual who receives Social Security Insurance (SSI) for aged, blind, and disabled is eligible. BEM 260 (July 1, 2015), p. 1 and BEM 150 (April 1, 2017). An individual who receives Retirement, Survivors, and Disability Insurance (RSDI) based on disability or blindness is eligible. BEM 260, p. 1-2. An individual seeking coverage based on a disability must provide evidence of his or her disability to the Department. BEM 260, p. 3-4. When a client alleges a disability, the Department should make a referral to the Disability Determination Service (DDS). BEM 260, p. 3-4.

Since Petitioner alleged a disability when he applied for benefits, the Department should have considered whether he was eligible for health care coverage under the group 2 aged, blind, and disabled program. The Department did not consider health care coverage under the group 2 aged, blind, and disabled program before it issued its denial, so the denial was issued in violation of its policies and must be reversed.

DECISION AND ORDER

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 did not act in accordance with its policies and the applicable law when it issued its June 1, 2018, Health Care Coverage Determination which denied Petitioner and his Spouse health care coverage effective July 1, 2018.

IT IS ORDERED the Department's June 1, 2018, Determination is **REVERSED**.

IT IS FURTHER ORDERED that the Department shall initiate a referral to DDS for Petitioner.

JK/nr



Jeffrey Kemm
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

Richard Latimore
4733 Conner
Detroit, MI
48215

Wayne 57 County DHHS- via electronic
mail

BSC4- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

[REDACTED]
MI