



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
Date Mailed: August 23, 2018  
MAHS Docket No.: 18-007580  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Jeffrey Kemm

**HEARING DECISION**

Following Petitioner's July 18, 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 22, 2018, from Lansing, Michigan. Petitioner, [REDACTED] and Petitioner's aide, [REDACTED] appeared for Petitioner. Shanna Ward, Eligibility Specialist, appeared for the Department.

One exhibit was admitted into evidence during the hearing. A 25-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

**ISSUE**

Did the Department properly cancel Petitioner's health care coverage effective August 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's income is from RSDI, which she receives based on her late husband's employment record.
2. In 2011, Petitioner had a hearing regarding her health care coverage. At the time, Petitioner was not receiving Medicare coverage. At the hearing in 2011, the Department agreed to consider Petitioner's eligibility for health care coverage under the Early Widow program. Thereafter, Petitioner received health care coverage from the Department.

3. Petitioner subsequently received Medicare as well as health care coverage from the Department under the Aged or Disabled (AD) program.
4. On May 4, 2018, the Department sent a Redetermination to Petitioner to obtain information from Petitioner to review her eligibility for health care coverage. Exhibit A, p. 6-13.
5. On May 30, 2018, Petitioner completed the Redetermination. Petitioner indicated that her monthly income was \$ [REDACTED] from social security, that she had \$ [REDACTED] in her savings account, and that she had \$ [REDACTED] in her checking account. Exhibit A, p. 6-13.
6. The Department reviewed the information Petitioner provided in her response to the Redetermination and determined that Petitioner was not eligible for health care coverage under any program through the Department because her income and assets exceeded the Department's limits.
7. On July 11, 2018, the Department sent a Health Care Coverage Determination Notice to Petitioner to notify Petitioner that she was not eligible for health care coverage through the Department. Exhibit A, p. 14-17.
8. On July 13, 2018, Petitioner filed a hearing request to dispute the Department's Determination. Exhibit A, p. 2-5.

### **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.

An individual aged 65 or greater may be eligible for SSI related health care coverage from the Department. Health care coverage is available under the group 1 Aged or Disabled (AD) program; the Medicare Savings Program; and the group 2 Aged, Blind, and Disabled program. Petitioner had been receiving health care coverage from the Department under the AD program.

In order to be eligible for health care coverage under the AD program, Medicare Savings Program, or the group 2 Aged, Blind, and Disabled program, a client must meet the Department's asset limit. Countable assets cannot exceed the asset limit in BEM 400. BEM 163 (July 1, 2017), p. 2; BEM 165 (January 1, 2018), p. 8; and BEM 166 (April 1, 2017), p. 2. Asset eligibility exists when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400, p. 7. If an ongoing health care coverage recipient has excess assets, the Department must initiate closure of the health care coverage. BEM 400, p. 7. For SSI-related health care coverage such as AD program, Medicare Savings Program, and group 2 Aged, Blind, and Disabled, the asset limit is \$2,000.00 for a group size of one. BEM 400, p. 8. Here, Petitioner's assets exceeded the limit because her assets were greater than \$2,000.00 during the month of May 2018. Since Petitioner's assets exceeded the limit to be eligible for health care coverage, the Department properly found Petitioner not eligible for health care coverage under these programs.

In order to be eligible for health care coverage under the AD program and Medicare Savings Program, a client must also meet the Department's income limit. BEM 163, p. 2; BEM 165, p. 8; and BEM 166, 2. Income eligibility for health care coverage under the AD program and Medicare Savings Program exists when the client's income does not exceed 100% of the Federal Poverty Level (FPL) plus \$20. BEM 163, p. 2; BEM 165, p. 8; and RFT 242 (April 1, 2018). The applicable income limit for a group size of 1 was \$1,031.67 per month effective April 1, 2018. RFT 242. Here, Petitioner's income exceeded the limit because her income was greater than \$[REDACTED]. Since Petitioner's income exceeded the limit to be eligible for health care coverage, the Department properly found Petitioner not eligible for health care coverage under these programs.

### **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 act in accordance with its policies and the applicable law when it issued its July 11, 2018, Health Care Coverage Determination which notified Petitioner that she was not eligible for health care coverage through the Department.

IT IS ORDERED the Department's Determination is AFFIRMED.

JK/nr



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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**

Amber Gibson  
5303 South Cedar  
PO BOX 30088  
Lansing, MI  
48911

Ingham County DHHS- via electronic mail

BSC2- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED] MI