



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: September 7, 2018  
MAHS Docket No.: 18-007977  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Jeffrey Kemm

**HEARING DECISION**

Following Petitioner's 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 September 6, 2018, from Lansing, Michigan. Petitioner, [REDACTED] appeared with her husband, [REDACTED]. Petitioner did not have any additional witnesses. Family Independence Manager, Donna Rojas, appeared for the Department. The Department did not have any additional witnesses.

One exhibit was admitted into evidence during the hearing. An 18-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

**ISSUE**

Did the Department properly determine John Stanley's health care coverage?

**FINDINGS OF FACT**

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

1. [REDACTED] is a disabled adult with Medicare coverage.
2. The Department provided [REDACTED] with health care coverage under the Aged or Disabled (AD) program. [REDACTED] did not have a deductible while he was receiving health care coverage under the AD program.
3. In May 2018, the Department received a report from Petitioner with her income information. The Department found Petitioner's income was \$ [REDACTED] per month and [REDACTED] income was \$ [REDACTED] per month. The Department reviewed

██████████ eligibility for health care coverage based on the updated income information and determined that he was no longer eligible for health care coverage under the AD program based on his household income.

4. On May 24, 2018, the Department issued a Health Care Coverage Determination Notice which notified Petitioner that ██████████ was only eligible for health care coverage with an \$887.00 monthly deductible effective July 1, 2018.
5. Petitioner filed a hearing request to dispute ██████████ monthly deductible.

### **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 is available to aged or disabled adults through the AD program as long as the eligibility requirements are met. One of the eligibility requirements for health care coverage through the AD program is income. Net income cannot exceed 100% of the federal poverty level (FPL). BEM 163 (July 1, 2017), p. 2. Under the AD program, an adult's group size is composed of only the adult and his spouse. BEM 211 (January 1, 2016), p. 8. For a household size of two, the FPL is \$16,460.00 for 2018. 89 FR 2642 (January 18, 2018), p. 2642-2644.

In this case, the Department found ██████████ ineligible for health care coverage under the AD program because his income exceeded the limit. ██████████ income was composed of his income of \$██████████ per month plus his spouse's income of \$██████████ per month, so their total household income was \$██████████. The Department correctly found ██████████ ineligible for health care coverage under the AD program because his income exceeded the limit of \$16,460.00.

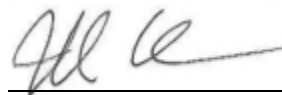
Since ██████████ was ineligible for full health care coverage under the AD program, the Department calculated his deductible for health care coverage under the group 2 aged, blind, and disabled program. The Department calculated his deductible at \$887.00 per month based on a net monthly income of \$██████████ and a protected income limit of \$516.00. No evidence was presented to establish that the Department's calculation was incorrect.

**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 May 24, 2018, Health Care Coverage Determination which found [REDACTED] [REDACTED] eligible for health care coverage with an \$887.00 monthly deductible.

IT IS ORDERED the Department's decision 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**

Kimberly Kornoelje  
121 Franklin SE  
Grand Rapids, MI  
49507

Kent County DHHS- via electronic mail

BSC3- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

**Petitioner**

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