



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: December 18, 2018
MAHS Docket No.: 18-010948
Agency No.: ██████████
Petitioner: ██████████ ██████████

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 December 12, 2018, from Lansing, Michigan. Petitioner, ██████████ ██████████ appeared with her spouse, ██████████ ██████████ Lead Assistance Payments Worker, Tamissia Hutchins, and Assistance Payments Worker, Shereka Freeman, appeared for the Department. Neither party had any additional witnesses.

One exhibit was admitted into evidence during the hearing. A 10-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Did the Department properly determine Petitioner's Medical Assistance (MA) benefit?

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 is a married individual aged ██████████ to ██████████
2. Petitioner is employed by Procure. Petitioner works approximately 28 hours per week and receives compensation at the rate of \$██████████ per hour.
3. Petitioner's spouse receives social security in the gross amount of \$██████████ per month.
4. Petitioner received full-coverage MA from the Department through August 2018.

5. On August 20, 2018, the Department issued a Notice of Case Action which notified Petitioner that her MA was going to be terminated for failure to respond to the Department's Redetermination.
6. On August 27, 2018, Petitioner responded to a Redetermination issued by the Department.
7. On September 7, 2018, the Department issued a Health Care Coverage Determination Notice which notified Petitioner that she was ineligible for MA effective September 1, 2018, because her income exceeded the Department's limit. The Department stated in its notice that Petitioner's income was \$ [REDACTED]
8. On [REDACTED] [REDACTED] [REDACTED] Petitioner requested a hearing to dispute the Department's decision.
9. On October 22, 2018, the Department issued another Health Care Coverage Determination Notice which notified Petitioner that she was ineligible for MA effective September 1, 2018, because her income exceeded the Department's limit. The Department stated in its notice that Petitioner's income was \$ [REDACTED]

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 various programs, including 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 individual's household income must not exceed 133% of the Federal Poverty Limit (FPL). BEM 137 (April 1, 2018), p. 1.

The household size is determined based on tax filer and tax dependent rules. BEM 211 (January 1, 2016), p. 1. For tax filers, the household size includes the tax filer, the tax filer's spouse, and all dependents claimed. BEM 211, p. 1-2. Here, Petitioner has a

household size of two because she is married. Petitioner did not present any evidence to establish that she had any dependents, so I must find that she does not have any dependents.

The FPL for a household size of two in 2018 was \$16,460, so the maximum household income for a household size of two was \$21,891.80 to be eligible for health care coverage under the Healthy Michigan Plan. Income eligibility is based on modified adjusted gross income (MAGI) for Healthy Michigan. BEM 137 (April 1, 2018), p. 1 and 7 CFR 435.603. MAGI is defined as adjusted gross income increased by (1) excluded foreign income, (2) tax exempt interest, and (3) the amount of social security benefits excluded from gross income. 26 USC 36B(d)(2)(B). Adjusted gross income is that which is commonly used for Federal income taxes, and it is defined as gross income minus deductions for business expenses, losses on the sale or exchange of property, retirement contributions, and others. 26 USC 62. MAGI include(s) the gross amount of social security benefits received by a tax filer or her spouse. BEM 503 (October 1, 2018), p. 29-30. Here, Petitioner's household income included her monthly income from employment of approximately \$ [REDACTED] plus Petitioner's spouse's monthly income from social security of \$ [REDACTED]

Petitioner's total household income was \$ [REDACTED] per month or \$ [REDACTED] per year. Since Petitioner's income limit for health care coverage under the Healthy Michigan Plan was \$ [REDACTED] Petitioner's income exceeded the Department's limit. Thus, the Department acted in accordance with its policies and the applicable law when it found Petitioner ineligible for MA.

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 found Petitioner ineligible for MA beginning September 1, 2018.

IT IS ORDERED the Department's decision is AFFIRMED.

JK/nr



Jeffrey Kemm
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

¹ Monthly income was calculated based on 28 hours of work per week at \$9.25 per hour (28 hours x \$9.25 per hour x 52 weeks per year / 12 months per year).

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

Demitra Owens
12140 Joseph Campau
Hamtramck, MI
48212

Wayne 55 County DHHS- via electronic
mail

BSC4- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

[REDACTED]
[REDACTED], MI
[REDACTED]