GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: April 19, 2019 MAHS Docket No.: 19-002322

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 April 17, 2019, from Lansing, Michigan. Petitioner, appeared and represented himself. Hearing Facilitator, Andrea Jones, appeared for the Michigan Department of Health and Human Services (Department). Neither party had any additional witnesses.

One exhibit was admitted into evidence during the hearing. A 19-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

### <u>ISSUE</u>

Did the Department properly determine 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 is married, and he and his spouse have two dependent children who live with them.
- 2. Petitioner and his spouse had full-coverage MA through the Department's Healthy Michigan program.
- 3. In February, Petitioner's household income was approximately \$

- 4. On Petitioner's eligibility for MA and determined that Petitioner and his spouse did not meet the eligibility requirements for full-coverage MA through the Department's Healthy Michigan program.
- 5. On Determination Notice which notified Petitioner that he and his wife were eligible for MA with a \$962 monthly deductible effective April 1, 2019. The Department stated that Petitioner's household income exceeded the Department's limit to be eligible for full-coverage MA through the Department's Healthy Michigan program.
- 6. On February 26, 2019, Petitioner filed a hearing request to dispute the Department's decision.

## **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.

The Department determined that Petitioner and his spouse were not eligible for full-coverage MA through the Department's Healthy Michigan program. In making its determination, the Department used a group size of only two and a monthly income of \$ \_\_\_\_\_\_ The Department did not act in accordance with its policies and the applicable law because it did not use the correct group size.

The Healthy Michigan program is a MAGI (modified adjusted gross income) based program. BEM 137 (January 1, 2019), p. 1. Group composition for MAGI based programs follows tax filer rules. BEM 211 (February 1, 2019), p. 1. The household for a tax filer (who is not claimed as a tax dependent) consists of the tax filer, the tax filer's spouse, and all dependents. BEM 211, p. 2. Petitioner's group should have included Petitioner as the tax filer, Petitioner's spouse, and their two dependent children. Thus, Petitioner's group should have consisted of four rather than two.

Since the Department did not use the correct group size to determine whether Petitioner and his spouse were eligible for full-coverage MA through the Department's Healthy Michigan program, the Department's decision must be reversed. The Department must reevaluate whether Petitioner and his spouse were eligible for full-coverage MA through the Department's Healthy Michigan program based on the correct group size. The Department then must issue a new Health Care Coverage Determination Notice to Petitioner.

## **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 determined Petitioner's MA eligibility.

IT IS ORDERED the Department's decision is **REVERSED**.

IT IS FURTHER ORDERED that the Department shall begin to implement this decision within 10 days.

JK/nr

Jeffrey Kemm

Administrative Law Judge for Robert Gordon, 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** 

Jeanenne Broadnax 25637 Ecorse Rd. Taylor, MI 48180

Wayne 18 County DHHS- via electronic mail

BSC4- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

**Petitioner** 

