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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS
DIRECTOR

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Date Mailed: June 14, 2019
MOAHR Docket No.: 19-003097
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. The hearing was adjourned on May 9, 2019. After due notice, an in-person hearing was held on June 06, 2019, from St. Johns, Michigan. Petitioner represented himself. The Department was represented by Lacy Miller.

ISSUE

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for Medical Assistance (MA)?

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 was an ongoing Medical Assistance (MA) recipient on November 5, 2018, when the Department sent him a Redetermination (DHS-1010) form with a December 5, 2018, due date. Exhibit A, pp 3-10.
2. On December 28, 2018, the Department received Petitioner's completed Redetermination (DHS-1010) form. Exhibit A, pp 11-18.
3. On January 22, 2019, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of a bank account by February 1, 2019. Exhibit A, pp 19-20.
4. On February 4, 2019, the Department received a copy of an ATM receipt showing the balance of a bank account but that does not identify the owner of the account. Exhibit A, pp 21-26.

5. On March 8, 2019, the Department notified Petitioner that he was not eligible for Medical Assistance (MA) as of April 1, 2019. Exhibit A, pp 27-30.
6. On March 15, 2019, the Department received an ATM receipt showing the balance of his bank account and the receipt identified him as the owner of the account. Exhibit A, pp 31-33.
7. On March 27, 2019, the Department notified Petitioner that he was eligible for Medical Assistance (MA) as of March 1, 2019, and ongoing, but that he would be in a category of benefits with a monthly deductible. Exhibit A, pp 34-41.
8. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of [REDACTED]0. Exhibit A, pp 48-50.
9. On March 22, 2019, the Department received Petitioner's request for a hearing protesting the level of Medical Assistance (MA) benefits he is receiving.

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.

Petitioner was an ongoing MA recipient on January 22, 2019, when the Department requested that he provide verification of the balance of a bank account, a countable cash asset, by February 1, 2019. Petitioner attempted to provide the Department with timely verification of the bank account, but was prevented from dropping off the required document when the Department's office was closed due to severe weather conditions. Petitioner turned in his document after the due date, but it was not sufficient to verify his assets because the document did not properly identify him as the account holder.

On March 15, 2019, the Department received a document that properly verified Petitioner's cash asset. Although this document was not received before the due date, it was received before his MA benefits closed. Therefore, reinstatement of Petitioner's MA benefits was appropriate as directed by BAM 205.

All RSDI income is countable to tax-files and adults not claimed as dependents. A child's RSDI is countable only if that child is required to file taxes. Department of Health and Human Services Bridges Eligibility Manual (BEM) 403 (April 1, 2019), p 29.

Petitioner had been receiving MA benefits under the PCR category, but effective October 1, 2018, Petitioner's RSDI income became fully countable towards his Modified Adjusted Gross Income (MAGI). Since Petitioner's RSDI income exceeds 54% of the federal poverty level, he is not longer eligible for MA-PCR benefits. Department of Health and Human Services Bridges Eligibility Manual (BEM) 211 (February 1, 2019), p 1.

Petitioner is disabled and he is enrolled in Medicare. Therefore, Petitioner is not eligible for MA benefits under the Healthy Michigan Program (HMP). Department of Health and Human Services Bridges Eligibility Manual (BEM) 137 (January 1, 2019), p 1.

Individuals who are aged or disabled and whose income does not exceed 100% of the federal poverty level are eligible for MA benefits under the AD-CARE category. Department of Health and Human Services Bridges Eligibility Manual (BEM) 163 (July 1, 2017), p 1.

Petitioner's income exceeds 100% of the federal poverty level and he is not eligible for AD-CARE benefits.

A review of Petitioner's case reveals that the Department budgeted correct amount of income received by the Petitioner. Petitioner's "protected income level" is [REDACTED], and this amount cannot be changed either by the Department or by this Administrative Law Judge. Department of Human Services Reference Table Manual (RFT) 240 (December 1, 2013), p 1. Department's determination that the Petitioner has a \$650 deductible per month she must meet in order to qualify for MA for any medical expenses above is therefore correct.

Medicare Savings Programs (MSP) are SSI-related MA categories that pays Medicare premiums. The income limit to receive any MSP benefits is 135% of the federal poverty level. Department of Health and Human Services Bridges Eligibility Manual (BEM) 165 (January 1, 2018), p 1.

Petitioner's gross monthly income exceeds 135% of the federal poverty level and he is not eligible for MSP benefits under any category.

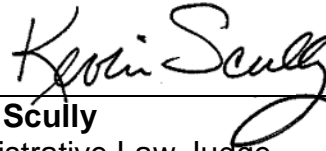
Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. Department of Health and Human Services Bridges Eligibility Manual (BEM) 105 (April 1, 2017), p 2.

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 acted in accordance with Department policy when it determined Petitioner's eligibility for Medical Assistance (MA) and placed him in the most beneficial category.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/dh



Kevin Scully
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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-8139

DHHS

Erin Bancroft
105 W. Tolles Drive
St. Johns, MI 48879

Clinton County, DHHS

BSC2 via electronic mail

EQAD via electronic mail

D. Smith via electronic mail

Petitioner

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