



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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

Date Mailed: December 6, 2019
MOAHR Docket No.: 19-010971
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 December 4, 2019, from Lansing, Michigan. Petitioner, Samantha Diegel, appeared and represented herself. Respondent, Department of Health and Human Services (Department), had Kelly Teed, Hearing Facilitator, appear as its representative. Neither party had any additional witnesses.

One exhibit was admitted into evidence during the hearing. A 20-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Did the Department properly close Petitioner's Medical Assistance (MA) effective October 1, 2019?

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 has a household size of one.
2. Petitioner received MA from the Department through the Healthy Michigan Plan.
3. On May 14, 2019, Petitioner began working for [REDACTED] as a contingent employee. [REDACTED] pays Petitioner [REDACTED] per hour. Petitioner does not have a fixed schedule; Petitioner averages approximately 24 hours of work per week.

4. On August 26, 2019, the Department received information that Petitioner was earning new income from employment at [REDACTED]. The Department mailed a new hire notice to Petitioner with instructions to provide information about her employment to the Department by September 5, 2019.
5. On September 13, 2019, Petitioner provided the Department with information about her employment at [REDACTED]. Petitioner included her most recent paycheck stubs. Petitioner's paycheck stubs showed that (a) on August 2, Petitioner received gross pay of [REDACTED] for 60 hours of work, (b) on August 16, Petitioner received gross pay of [REDACTED] for 47.5 hours of work, and on August 30, Petitioner received gross pay of [REDACTED] for 36 hours of work.
6. The Department reviewed the information provided by Petitioner and determined that Petitioner's income exceeded the Department's limit to be eligible for MA.
7. On September 19, 2019, the Department mailed a health care coverage determination notice to Petitioner to notify her that she was not eligible for MA effective October 1, 2019, because her income exceeded the Department's limit.
8. On September 30, 2019, Petitioner requested a hearing 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 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 (January 1, 2019), p. 1.

The household size is determined based on tax filer and tax dependent rules. BEM 211 (July 1, 2019), 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 one.

The FPL for a household size of one in 2019 was \$12,490, so the maximum household income for a household size of one was \$16,611.70 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, 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.

In this case, Petitioner's income exceeded the limit of \$16,611.70 to be eligible for MA under the Healthy Michigan Plan. Petitioner's annual income was more than \$19,000 per year. This is consistent with Petitioner's testimony that she averages 24 hours of work per week and receives [REDACTED] per hour, and it is consistent with her August 2019 paystubs which show that she earns an average of [REDACTED] biweekly. Since Petitioner's income exceeded the limit to be eligible for MA under the Healthy Michigan Plan, the Department properly found Petitioner ineligible.

Although the Department has other programs which also provide MA, there was no evidence presented that Petitioner would have met the requirements of any of those programs to be eligible 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.

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

JK/ml



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 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

Vivian Worden
21885 Dunham Road
Clinton Twp., MI 48036

Macomb 12 County DHHS – Via
Electronic Mail

BSC4 – Via Electronic Mail

D. Smith – Via Electronic Mail

EQAD – Via Electronic Mail

Petitioner

[REDACTED] – Via First Class Mail
[REDACTED]
[REDACTED] MI [REDACTED]