



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED], MI [REDACTED]

Date Mailed: January 6, 2019
MOAHR Docket No.: 19-011674
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 January 2, 2020, from Lansing, Michigan. Petitioner, [REDACTED] appeared and represented himself. Respondent, Department of Health and Human Services (Department), had Kelly Tead, Hearing Facilitator, appear as its representative. Neither party had any additional witnesses.

Two exhibits were admitted into evidence during the hearing. A 16-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A, and a 4-page supplement provided by the Department was admitted collectively as the Department's Exhibit B.

ISSUE

Did the Department properly determine that Petitioner's spouse was eligible for Medical Assistance (MA) with a \$1,030.00 monthly deductible?

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 lives in Macomb County.
2. Petitioner has a household size of three.
3. Petitioner's household income is [REDACTED] which consists of \$1,030.00 from social security and \$1,482.25 from employment.

4. Petitioner pays a Medicare Part B premium of \$135.50 per month, and Petitioner pays child support of \$103.50 per month. These payments are withheld from Petitioner's social security payment.
5. On July 31, 2019, the Department mailed a notice of case action to Petitioner to notify him that his spouse was eligible for MA with a monthly deductible of \$1,030.00 and that it had been met for July.
6. On October 22, 2019, Petitioner filed a hearing request to dispute the 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 administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, Petitioner is disputing the monthly deductible for his spouse. The Department determined that the best MA available for Petitioner's spouse was MA with a monthly deductible of \$1,030.00. Petitioner asserts that the monthly deductible is unaffordable. However, Petitioner did not present any evidence to establish that the Department did not properly determine the monthly deductible amount.

Health care coverage for adults is available through various programs, including full coverage for caretaker relatives. In order for a caretaker relative to be eligible for full coverage, the individual's household income must be no more than 54% of the Federal Poverty Limit (FPL). BEM 110 (April 1, 2018), p. 1. The FPL for a household size of two in 2019 is \$21,330.00. Thus, the income limit for full coverage for caretaker relatives is \$11,518.20. Petitioner's annualized household income exceeds the limit. Since Petitioner's household income exceeds the limit for full coverage, the Department properly determined that the best available coverage for Petitioner's spouse was MA with a monthly deductible.

To determine the monthly deductible for caretaker relatives, the Department must establish a fiscal group and determine budgetable income for each person seeking MA as a caretaker relative. BEM 536 (July 1, 2019), p. 1. Special rules are used to prorate fiscal group members income. *Id.* In this case, Petitioner's spouse did not have any

income, but Petitioner's income had to be prorated and counted as his spouse's income for purposes of determining her monthly deductible. The Department determined that Petitioner's spouse's prorated share of income was \$473.00 and that her net income was equal to 3.9 shares, \$1,844.00.

The Department then calculated Petitioner's spouse's monthly deductible by subtracting the protected income limit from her net income of \$1,844.00. BEM 211, BEM 135 (October 1, 2015), BEM 544 (July 1, 2019), BEM 536, RFT 200 (April 1, 2017), and RFT 240 (December 1, 2013). The protected income limit for a household of two in Macomb County is \$541.00. The Department determined Petitioner's monthly deductible should be \$1,030.00 per month because that is the amount of net income Petitioner has in excess of the protected income limit.

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 determined Petitioner's spouse was eligible for MA with a monthly deductible of \$1,030.00.

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 (District 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]