RICK SNYDER GOVERNOR

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

SHELLY EDGERTON



Date Mailed: May 11, 2018 MAHS Docket No.: 18-002664

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Ellen McLemore

## **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; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on May 9, 2018, from Detroit, Michigan. Petitioner was present and represented himself. The Department of Health and Human Services (Department) was represented by Mychal Whitehead, Supervisor.

### **ISSUE**

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

#### 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 MA recipient.
- 2. In 2018, Petitioner completed a Health Care Coverage Supplemental Questionnaire.
- 3. On February 5, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing him that his MA benefit case was closing effective March 1, 2018, ongoing.
- 4. On February 21, 2018, the Department sent Petitioner a second Health Care Coverage Determination Notice informing him that his MA benefit case was closing effective March 1, 2018, ongoing.

5. On March 5, 2018, Petitioner submitted a request for hearing disputing the Department's actions.

## **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.

In this case, Petitioner was an ongoing MA recipient. The Department was unsure as to what program Petitioner was receiving MA benefits under, but believed it was the Healthy Michigan Plan (HMP) program. On February 5, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing him that his MA benefit case was closing effective March 1, 2018, ongoing. The Department sent another notice on February 21, 2018 with the same information.

According to both notices, Petitioner was not eligible for MA benefits because his group exceeded the asset limit. At the hearing, the Department testified that Petitioner's MA benefit case was actually closed because he exceeded the income limit under the HMP program. The Department testified that his income was improperly calculated. However, according to the notice issued February 5, 2018, Petitioner was not eligible under the HMP program because he was a Medicare recipient. The HMP program provides health care coverage for individuals who are: (i) 19-64 years of age; (ii) do not qualify for or are not enrolled in Medicare; (iii) do not qualify for or are not enrolled in other Medicaid programs; (iv) are not pregnant at the time of application; (v) meet Michigan residency requirements; (vi) meet Medicaid citizenship requirements; and (vii) have income at or below 133% of the Federal Poverty Level. BEM 137 (January 2018), p. 1.

Petitioner confirmed that he was eligible for, and enrolled in, Medicare since March 2018. Therefore, the Department's explanation that Petitioner was not eligible for HMP due to excess income is inaccurate, as Petitioner does not qualify for HMP because he is a Medicare recipient.

According to the notice issued February 21, 2018, Petitioner did not qualify for MA benefits because his group exceeded the asset limit. Petitioner testified that he is 65 years old. Therefore, Petitioner potentially qualifies for SSI-Related Persons MA

programs. BEM 240 (October 2017), p. 3. For most SSI-related MA categories, the asset limit is \$2,000 for a group of one and \$3,000 for a group of two.

At the hearing, the Department could not provide an explanation as to Petitioner's asset amount or whether he exceeded the limit. The Department continued to maintain Petitioner's MA benefit case was closed due to income ineligibility under the HMP program. Therefore, the Department failed to establish that it properly determined Petitioner's MA eligibility.

## **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 Department policy when it closed Petitioner's MA benefit case.

Accordingly, the Department's decision is **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Redetermine Petitioner's MA eligibility as of March 1, 2018, ongoing;
- 2. If Petitioner is eligible for MA benefits, provide Petitioner with MA benefits he is entitled to receive as of March 1, 2018, ongoing;
- 3. Notify Petitioner of its MA decision in writing.

EM/cg

Ellen McLemore

Administrative Law Judge for Nick Lyon, 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

Via Email: MDHHS-Wayne-31-Hearings

M. Best EQAD

BSC4-Hearings

MAHS

Petitioner – Via First-Class Mail:

