



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR



Date Mailed: May 22, 2018  
MAHS Docket No.: 18-002762  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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 16, 2018, from Detroit, Michigan. Petitioner was present and represented himself and his wife. The Department of Health and Human Services (Department) was represented by Chantel Wilbon, Hearing Facilitator.

**ISSUE**

Did the Department properly determine Petitioner's wife'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. On [REDACTED], 2018, an application for MA benefits was submitted for Petitioner's wife.
2. Petitioner's wife is a Medicare recipient and has been determined as disabled.
3. At the time of the application, Petitioner was receiving Unemployment Compensation Benefits (UCB) in the weekly gross amount of \$291 (Exhibit C).
4. Petitioner's wife received Retirement, Survivors, and Disability Insurance (RSDI) benefits in the monthly gross amount of \$400.

5. On February 27, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing Petitioner that his wife was approved for MA benefits subject to a monthly deductible of \$1,003 (Exhibit A).
6. On March 9, 2018, Petitioner submitted a request for hearing disputing the Department's actions regarding his wife's MA eligibility.

### **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, an application for MA benefits for Petitioner's wife was submitted on [REDACTED], 2018. On February 27, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing him that his wife was approved for MA benefits subject to a monthly deductible of \$1,003 effective April 1, 2018, ongoing. Petitioner submitted a hearing request disputing the Department's actions, as his wife previously had full-coverage MA benefits.

Petitioner's wife is a Medicare recipient. As such, the Department testified that she does not qualify for MA benefits under the full-coverage Health Michigan Plan (HMP) program. 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. As Petitioner's wife is a Medicare recipient, the Department properly concluded she is not eligible for HMP benefits.

As a disabled and/or aged individual, Petitioner's wife is potentially eligible to receive MA benefits through AD-Care. Ad-Care is an SSI-related full-coverage MA program. BEM 163 (July 2017), p. 1. It was not disputed that Petitioner's wife receives \$400 per month in RSDI benefits and Petitioner was receiving \$1,164 per month in UCB. The total household income is \$1,564. As Petitioner and his wife are married, per policy, Petitioner's wife's fiscal group size for SSI-related MA benefits is two. BEM 211

(January 2016), p. 8. The Department gives AD-Care budget credits for employment income, guardianship and/or conservator expenses and cost of living adjustments (COLA) (for January through March only). Petitioner did not allege any such factors were applicable. Income eligibility for AD-Care exists when countable income does not exceed the income limit for the program. BEM 163 (July 2017), p. 2. The income limit for AD-Care for a two-person MA group is \$1,373.33. RFT 242 (April 2017), p. 1. Because Petitioner's wife's monthly household income exceeds \$1,373.33, the Department properly determined Petitioner wife to be ineligible for MA benefits under AD-Care.

Petitioner's wife may still receive MA benefits subject to a monthly deductible through a Group 2 Medicaid category. Petitioner's wife is not the caretaker of any minor children, and therefore, does not qualify for MA through the Group 2-Caretaker MA program.

Petitioner may still receive MA benefits subject to a monthly deductible through the G2S program. G2S is an SSI-related MA category. BEM 166 (April 2017), p.1. As stated above, Petitioner's SSI-related MA group size is two. Petitioner's wife's net income is \$1,544 (Petitioner's UCB plus Petitioner's wife's gross RSDI reduced by a \$20 disregard). BEM 541 (April 2017), p. 3. The deductible is in the amount that the client's net income (less any allowable needs deductions) exceeds the applicable Group 2 MA protected income levels (PIL); the PIL is based on the client's MA fiscal group size and the county in which she resides. BEM 105, p. 1; BEM 166 (April 2017), pp. 1-2; BEM 544 (July 2016), p. 1; RFT 240 (December 2013), p. 1; RFT 200 (April 2017), p. 2. The monthly PIL for a client in Petitioner's wife's position, with an MA fiscal group size of two living in Genesee County, is \$541 per month. RFT 200, p. 3; RFT 240, p 1. Thus, if Petitioner's wife's monthly net income (less allowable needs deductions) is in excess of \$541, she is eligible for MA assistance under the deductible program, with the deductible equal to the amount that her monthly net income, less allowable deductions, exceeds \$541. BEM 545 (January 2017), pp. 2-3. The Department presented an SSI-related MA budget showing the calculation of Petitioner's deductible (Exhibit B).

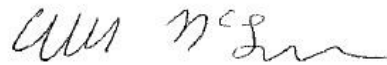
In determining the monthly deductible, net income is reduced by health insurance premiums paid by the MA group and remedial service allowances for individuals in adult foster care or homes for the aged. BEM 544, pp. 1-3. In this case, there was no evidence that Petitioner resides in an adult foster care home or home for the aged. Therefore, she is not eligible for any remedial service allowances. There was evidence that Petitioner's wife was receiving Medicare Part B, but in the Health Care Coverage Determination Notice issued on February 27, 2018, Petitioner's wife was approved for full-coverage Medicare Savings Program (MSP) benefits. Therefore, Petitioner's wife would not be responsible for paying her Medicare Part B expenses. There was no evidence that Petitioner's wife had any other expenses for insurance premiums. Therefore, the department properly concluded Petitioner's wife was not entitled to a deduction for insurance premiums. Additionally, there was no evidence that any verifications of ongoing medical expenses were submitted on behalf of Petitioner's wife. Therefore, the Department properly did not include any deductions for medical expenses. Petitioner's net income of \$1,544 reduced by the \$541 PIL is \$1,003.

Therefore, the Department properly determined that Petitioner's wife is eligible for MA benefits under the G2S program subject to a monthly deductible of \$1,003.

**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 acted in accordance with Department policy when it determined Petitioner's wife's MA eligibility. Accordingly, the Department's decision is **AFFIRMED**.

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**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-Genesee-6-Hearings  
M. Best  
EQAD  
BSC2-Hearing Decisions  
MAHS

**Petitioner – Via First-Class Mail:**

