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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: May 7, 2019
MOAHR Docket No.: 19-002070
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: John Markey

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 April 11, 2019, from Detroit, Michigan. Petitioner appeared and represented himself. Also appearing on behalf of Petitioner were ██████████ and ██████████. The Department of Health and Human Services (Department) was represented by Michelle Campeau, Eligibility Specialist. During the hearing, a 31-page packet of documents was offered and admitted into evidence as Exhibit A, pp. 1-31.

ISSUE

Did the Department properly close Petitioner's Medicaid (MA) benefits case after he turned 65?

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 recipient of MA benefits from the Department under the Healthy Michigan Plan (HMP), which is only available until the age of 65.
2. Petitioner was turning 65 on ██████████ 2019. In order to determine whether Petitioner was eligible for MA going forward, the Department needed more information from Petitioner. On February 2, 2019, the Department issued to Petitioner a Health Care Coverage Supplemental Questionnaire. The document was required to be completed and returned to the Department by February 12, 2019. Exhibit A, pp. 4-5.

3. Petitioner returned part of the Health Care Coverage Supplemental Questionnaire to the Department in a timely manner. However, the Department did not receive all of the completed form, including the signature page.
4. On February 15, 2019, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that his MA case was closing, effective March 1, 2019
5. On [REDACTED] 2019, Petitioner submitted to the Department the completed Health Care Coverage Supplemental Questionnaire along with required proofs. Those proofs included financial statements showing that Petitioner had over \$[REDACTED] in a checking account and over \$[REDACTED] in an investment account. Exhibit A, pp. 9-17.
6. Also on [REDACTED], 2019, Petitioner submitted to the Department a request for hearing objecting to the Department's closure of Petitioner's MA benefits case, effective March 1, 2019.
7. The Department processed Petitioner's submissions and subsequently determined that Petitioner's assets exceeded the limit for MA eligibility. Thus, Petitioner's MA benefits case remained closed, effective March 1, 2019.

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 active MA beneficiary under the full-coverage HMP plan, which is only available to those who are 19-64 years of age. Because Petitioner was turning 65 in [REDACTED] 2019, the Department sought to obtain further information from Petitioner in order to determine if he was eligible for any other MA plans from the Department. Eventually, the Department determined that Petitioner was not eligible for MA from the Department and closed his MA benefits case, effective March 1, 2019. Petitioner submitted a hearing request objecting to the closure.

MA is available (i) to individuals who are aged (65 or older), blind or disabled under SSI-related categories, (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women, and (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage. BEM 105 (April 2017), p. 1-4.

HMP is a MAGI-related MA category that provides MA coverage to individuals who (i) **are 19 to 64 years of age**; (ii) have income at or below 133% of the federal poverty level (FPL) under the Modified Adjusted Gross Income (MAGI) methodology; (iii) do not qualify for or are not enrolled in Medicare; (iv) do not qualify for or are not enrolled in other MA programs; (v) are not pregnant at the time of application; and (vi) are residents of the State of Michigan. BEM 137 (January 2019), p. 1. **HMP does not have an asset test.** BEM 137, p. 4.

Because Petitioner turned 65 in [REDACTED] 2019, he was ineligible for the HMP plan any month thereafter. As that was the coverage he was receiving at the time, the Department's decision to end that coverage at the end of February 2019 was in accordance with Department policy.

As the Department was aware of the impending closure of Petitioner's HMP case due to Petitioner turning 65, the Department sought to obtain further information from Petitioner in order to determine whether Petitioner was eligible for any other MA coverage from the Department. As Petitioner was not under the age of 19, pregnant, or the caretaker of a child, the only remaining categories that Petitioner could have been eligible for were under the SSI-related MA categories. BEM 105, pp. 1-4.

Assets must be considered in determining eligibility for SSI-related MA benefits. BEM 400 (February 2019), p. 1. Assets included checking and investment accounts. BEM 400, p. 1. Asset eligibility exists when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400, p. 7. For SSI-related MA programs that require a deductible, the asset limit is \$3,000. BEM 400, p. 7. For other SSI-related MA programs, the asset limit is \$2,000. BEM 400, p. 8.

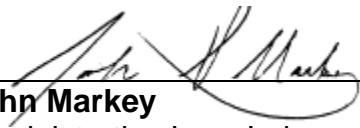
Petitioner provided to the Department proof that he had countable assets of over \$ [REDACTED] in a checking account and over \$ [REDACTED] in an investment account. At all relevant times, the value of Petitioner's countable assets greatly exceeded the limit for program eligibility. Thus, when Petitioner turned 65 and was no longer eligible for HMP, which does not have an asset test, Petitioner was no longer eligible for MA benefits from the Department due to his assets. Thus, the Department properly found Petitioner ineligible for MA benefits, effective March 1, 2019.

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 closed Petitioner's MA benefits case, effective March 1, 2019.

DECISION AND ORDER

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

JM/cg



John Markey
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

Via Email:

MDHHS- Ionia-Hearings
D. Smith
EQAD
BSC3- Hearing Decisions
MOAHR

Petitioner – Via First-Class Mail:

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