



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: December 10, 2018
MAHS Docket No.: 18-010790
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; 7 CFR 273.15; 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 hearing was held in person in Jackson on December 5, 2018. Petitioner, [REDACTED], appeared and represented herself. Assistance Payments Supervisor, Amy Turner, appeared and represented the Department. Neither party had any additional witnesses.

Two exhibits were admitted into evidence during the hearing. An 8-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A, and a Medicaid Budget and SOLQ report were admitted collectively as the Department's Exhibit B.

ISSUES

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefit?

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

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 is not married. Petitioner lives in Jackson County. Petitioner's sole source of income is \$1,106.00 per month from social security. Petitioner has Medicare Parts A and B. Petitioner's Medicare Part B premium has been covered by the Department through the Medicare Savings Program since 2007.

2. On August 28, 2018, the Department issued a Negative Action Notice which notified Petitioner that she was ineligible for FAP benefits effective November 1, 2018, because she had two or more felony drug convictions for offenses which occurred after August 22, 1996.
3. On September 4, 2018, Petitioner filed a hearing request to dispute the Department's August 28, 2018, notice. The Michigan Administrative Hearing System scheduled a hearing to be held on October 4, 2018. Petitioner did not appear for her scheduled hearing, so her case was dismissed in an order issued on October 5, 2018. Petitioner did not file a request for rehearing with the Michigan Administrative Hearing System or an appeal with Circuit Court.
4. On September 19, 2018, the Department issued a Health Care Coverage Determination Notice which notified Petitioner that she was eligible for health care coverage with a \$736.00 monthly deductible effective October 1, 2018.
5. On October 16, 2018, Petitioner filed a hearing request to dispute the Department's FAP and MA decisions.

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-119b, and Mich Admin Code, R 400.3001-.3011.

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.

Petitioner filed her October 16, 2018, hearing request in part to dispute the Department's denial of her FAP benefit. Petitioner had previously filed a hearing request on September 4, 2018, to dispute the same denial of her FAP benefit and her case was dismissed by the Michigan Administrative Hearing System after she failed to appear for her scheduled hearing. I do not have jurisdiction to address Petitioner's

October 16, 2018, hearing request to dispute her FAP benefit denial because it has already been disputed and resolved through the Michigan Administrative Hearing System. When Petitioner failed to appear for her scheduled hearing and her case was dismissed, her dispute was resolved. If Petitioner disagreed with the dismissal, Petitioner was required to follow the instructions on the Order of Dismissal which instructed her to either file a request for rehearing with the Michigan Administrative Hearing System or file an appeal in Circuit Court.

Petitioner also filed her October 16, 2018, hearing request to dispute the Department's decision to find Petitioner eligible for MA with a \$736.00 monthly deductible. The Department correctly determined that the best health care coverage available to Petitioner was MA with a \$736.00 monthly deductible. Petitioner is ineligible for full-coverage MA through the Healthy Michigan program because Petitioner is eligible for Medicare, and an individual must be ineligible for Medicare in order to be eligible through the Healthy Michigan program. BEM 137 (April 1, 2018), p. 1. Petitioner is also ineligible for full-coverage MA through the Aged or Disabled program because Petitioner's income exceeds 100% of the Federal Poverty Level, and an individual must have income equal to or less than 100% of the Federal Poverty Level in order to be eligible through the Aged or Disabled program. BEM 163 (July 1, 2017), p. 2.¹ Petitioner was not eligible for any other full-coverage MA program, so the Department properly determined that Petitioner was eligible for MA through the Aged, Blind, or Disabled program with a monthly deductible. BEM 166 (April 1, 2017), p. 1.

The Department correctly calculated Petitioner's monthly deductible amount under the Aged, Blind, or Disabled program. Medical Assistance (MA) through the Aged, Blind, or Disabled program is income based. BEM 166, p. 1. Income eligibility exists for a client when her net income does not exceed the protected income limit for her shelter area and group size. BEM 166, BEM 544 (July 1, 2016), and BEM 545 (April 1, 2018). Petitioner is eligible for a \$20.00 exclusion of her income. BEM 541 (January 1, 2018), p. 3. Thus, Petitioner's net income is \$1,086.00. Since Petitioner is unmarried and resides in Jackson County, her protected income limit is \$350.00. RFT 240 (December 1, 2013) and RFT 200 (April 1, 2017). Petitioner's net income of \$1,086.00 exceeds her protected income limit of \$350.00 by \$736.00. When a client has excess income, the client must incur allowable medical expenses equal to or greater than her excess income before the Department will provide health care coverage. BEM 545, p. 1. Since Petitioner has excess income of \$736.00 per month, Petitioner must incur allowable medical expenses of \$736.00 before the Department will provide health care coverage for Petitioner for that month.

¹ Effective April 1, 2018, the income limit for MA through the Aged or Disabled program was \$1,031.67 per month for an unmarried individual. RFT (April 1, 2018), p.1. Petitioner's income exceeded the limit because her income was \$1,086.00 per month.

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 (1) the Michigan Administrative Hearing System does not have jurisdiction to address Petitioner's October 16, 2018, hearing request to dispute her FAP denial, and (2) the Department did act in accordance with its policies and the applicable law when it issued its September 19, 2018, Health Care Coverage Determination which found Petitioner eligible for health care coverage with a \$736.00 monthly deductible effective October 1, 2018.

IT IS ORDERED the Department's September 19, 2018, decision is AFFIRMED.

JK/nr



Jeffrey Kemm
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

DHHS

Denise Croff
301 E. Louis Glick Hwy.
Jackson, MI
49201

Jackson County DHHS- via electronic mail

BSC4- via electronic mail

M. Holden- via electronic mail

D. Sweeney- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

