



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: December 20, 2018
MAHS Docket No.: 18-011681
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 December 13, 2018, from Lansing, Michigan. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Antonette Feldpausch, Family Independence Specialist. During the hearing, a 36-page packet of documents was offered and admitted as Exhibit A, pp. 1-36.

ISSUE

Did the Department properly deny Petitioner's application for retroactive Medicaid (MA) coverage for the month of June 2018?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. In late June 2018, Petitioner incurred substantial medical bills related to an illness that required a period of hospitalization.
2. On [REDACTED], 2018, Petitioner submitted to the Department an application for MA benefits. Exhibit A, pp. 3-7.
3. On July 3, 2018, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that he was eligible for full coverage MA benefits, effective July 1, 2018, ongoing. Exhibit A, pp. 8-10.

4. On [REDACTED], 2018, Petitioner submitted to the Department a Retroactive Medicaid Application requesting coverage for the month of June 2018. Exhibit A, pp. 11-13.
5. On August 29, 2018 and September 6, 2018, Petitioner submitted to the Department paystubs showing that he received earned income of \$2,487.30. Exhibit A, pp. 14-19.
6. On September 7, 2018, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that he was not eligible for MA benefits for the month of June 2018 because his income exceeded the income limit for eligibility. Exhibit A, pp. 20-23.
7. On October 30, 2018, Petitioner submitted to the Department a request for hearing objecting to the Department's denial of MA coverage for the month of June 2018.

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 hospitalized in late June and early July 2018. The hospitalization rendered Petitioner unable to work. On July 3, 2018, Petitioner submitted to the Department an application for MA coverage. That same day, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that he was approved for full-coverage MA under the Health Michigan Plan (HMP), effective July 1, 2018.

Petitioner also wanted retroactive MA coverage for the month of June 2018. However, on his July 3, 2018 application, he failed to mention that he wanted to be covered retroactively. On August 29, 2018, Petitioner submitted to the Department an application for retroactive MA coverage for the month of June 2018. On September 7, 2018, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that he was not eligible for MA coverage for June 2018 because his income exceeded the income limit for eligibility for HMP. Petitioner then

submitted to the Department a request for hearing objecting to the Department's denial of MA coverage for the month of June 2018.

Retroactive MA coverage is available back to the first day of the third calendar month prior to the most recent application for MA recipients. BAM 115 (January 2018), p. 12. The Department determines eligibility for each retroactively applied for month separately. BAM 115, p. 14. To be eligible for retroactive MA coverage, the applicant must (1) meet all financial and nonfinancial eligibility factors in that month and (2) have an unpaid medical expense incurred during the month. BAM 115, p. 15.

An individual is eligible for HMP if his household's income does not exceed 133% of the Federal Poverty Level (FPL) applicable to the individual's group size. BEM 137 (April 2018), p. 1. HMP uses a Modified Adjusted Gross Income (MAGI) methodology to determine financial eligibility. BEM 137, p. 1. An individual is eligible for HMP if his household's income does not exceed 133% of the Federal Poverty Level (FPL) applicable to the individual's group size, which in this case is a group size of one. BEM 137, p. 1. 133% of the annual FPL in 2018 for a household with one member is \$16,146.20. See <https://aspe.hhs.gov/poverty-guidelines>. Therefore, to be income eligible for HMP, Petitioner's annual income cannot exceed \$16,146.20. Financial eligibility for applicants must be based on current monthly household income and family size. 42 CFR 435.603(h)(1).

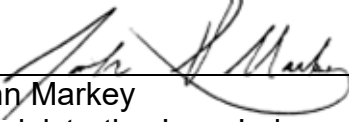
Thus, for Petitioner's application for retroactive MA coverage for the month of June 2018 to be approved, he must have both met all eligibility factors in June 2018 and have unpaid medical expenses incurred during June 2018. He met the latter requirement. However, the Department properly determined that he did not meet the former. During the hearing, Petitioner stipulated that the paystubs showing he earned \$2,487.30 in June 2018 were accurate. As the Department must analyze eligibility during the month that already occurred, it must look at the actual income Petitioner received, which was significantly higher than the monthly limit for HMP eligibility. BAM 115, pp. 14-15. Thus, for the month of June 2018, the Department followed Department policy in determining that Petitioner was not eligible for retroactive MA coverage due to having excess income.

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 denied Petitioner's MA retroactive application for June 2018.

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

JM/nr



John Markey
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

Erin Bancroft
105 W. Tolles Drive
St. Johns, MI
48879

Clinton County DHHS- via electronic mail

BSC2- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

