



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

Date Mailed: March 13, 2019  
MAHS Docket No.: 19-000674  
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 March 11, 2019, from Detroit, Michigan. Petitioner was present and represented himself. The Department of Health and Human Services (Department) was represented by Robert Mapp, Eligibility Specialist.

**ISSUE**

Did the Department properly determine Petitioner's and 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. Petitioner and Petitioner's wife were ongoing MA recipients.
2. In January 2019, Petitioner completed a redetermination related to his and his wife's MA benefit cases.
3. Petitioner has unearned income in the form of Retirement, Savings, and Disability Insurance (RSDI) benefits in the monthly amount of \$ [REDACTED]. Petitioner's wife has a monthly RSDI benefit amount of \$ [REDACTED].
4. On January 3, 2019, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing him that he and his wife were approved for MA benefits subject to a monthly deductible of \$ [REDACTED].

5. On January 17, 2019, 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 completed a redetermination in January 2019 related to his and his wife's MA benefit case. On January 3, 2019, the Department sent Petitioner a HCCDN informing him that he and his wife were approved for MA benefits subject to a monthly deductible of \$[REDACTED]

As a disabled and/or aged individual, Petitioner and Petitioner's wife are potentially eligible to receive MA benefits through AD-Care. Ad-Care is a Supplemental Security Income (SSI)-related full-coverage MA program. BEM 163 (July 2017), p. 1. It was not disputed that Petitioner's wife received \$[REDACTED] per month in RSDI benefits, and Petitioner was receiving \$[REDACTED] per month in RSDI benefits. The total household income was \$[REDACTED]. As Petitioner and his wife are married, and per policy, Petitioner's and 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, with the exception of the COLA exclusion of \$[REDACTED]. 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. With the COLA exclusion, Petitioner's total household income was \$[REDACTED]. Because Petitioner's and Petitioner's wife's monthly household income exceeds \$[REDACTED] the Department properly determined Petitioner and his wife to be ineligible for MA benefits under AD-Care.

Petitioner and Petitioner's wife may still receive MA benefits subject to a monthly deductible through a Group 2 Medicaid category. Petitioner and his wife were not the

caretaker of any minor children, and therefore, do not qualify for MA through the Group 2-Caretaker MA program.

Petitioner and his wife 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 and Petitioner's wife's net income is \$ [REDACTED] (Petitioner's and Petitioner's wife's RSDI benefits reduced by a \$ [REDACTED] 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 and Petitioner's wife's position, with an MA fiscal group size of two living in Oakland County, is \$541 per month. RFT 200, p. 3; RFT 240, p 1. Thus, if Petitioner's and Petitioner's wife's monthly net income (less allowable needs deductions) is in excess of \$541, they are 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).

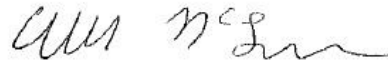
In determining the monthly deductible, net income is reduced by health insurance premiums paid by the MA group and remedial service allowances for individuals in adult foster care or homes for the aged. BEM 544, pp. 1-3. In this case, there was no evidence that Petitioner or Petitioner's wife reside in an adult foster care home or home for the aged. Therefore, they are not eligible for any remedial service allowances. The Department provided Petitioner and his wife with a \$ [REDACTED] insurance premium deduction for Medicare Part B expenses. Petitioner's and Petitioner's wife's net income of \$ [REDACTED] reduced by the \$ [REDACTED] PIL, \$ [REDACTED] COLA exclusion and \$ [REDACTED] insurance premium is \$ [REDACTED]. Therefore, the Department properly determined that Petitioner's wife is eligible for MA benefits under the G2S program subject to a monthly deductible of \$ [REDACTED].

Petitioner argued that his and his wife's income was lower than the income threshold of \$ [REDACTED] for a two-person group listed on the second page of the HCCDN for full-coverage MA; and therefore, they should be eligible for full-coverage MA. The figure that Petitioner referenced was the income limit for a group size of two under the full-coverage Healthy Michigan Plan (HMP) program. Petitioner and Petitioner's wife are Medicare recipients. As such, the Department testified that they do not qualify for MA benefits under the HMP program. The HMP program provides health care coverage for individuals who are: (i) 19 to 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 and Petitioner's wife are Medicare recipients, the Department properly concluded they are not eligible

for HMP benefits. Therefore, the Department properly determined Petitioner's and Petitioner's wife'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 acted in accordance with Department policy when it determined Petitioner's and Petitioner's wife's MA eligibility. Accordingly, the Department's decision is **AFFIRMED**.



EM/jaf

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**Ellen McLemore**

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 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**

Lori Duda  
MDHHS-Oakland-II-Hearings

**Petitioner**

[REDACTED]  
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[REDACTED] MI [REDACTED]

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