



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: May 15, 2019
MOAHR Docket No.: 19-002837
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 May 9, 2019, from Detroit, Michigan. Petitioner appeared. Also appearing on Petitioner's behalf were [REDACTED] and [REDACTED]. The Department of Health and Human Services (Department) was represented by Lashaun Johnson, Lead Worker. During the hearing, a 16-page packet of documents was offered and admitted into evidence as Exhibit A. The first page of the 16-page packet is labeled 1A. The next 15 pages are labeled 1-15.

ISSUE

Did the Department properly determine Petitioner's Medicaid (MA) benefits, effective March 1, 2019?

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.
2. Petitioner is disabled and receives \$1,375 per month in Retirement, Survivors, and Disability Insurance (RSDI). Exhibit A, pp. 13-15.
3. Petitioner's benefit period was coming to an end on February 28, 2019. In order to receive continuous benefits, Petitioner was required to complete the redetermination process. Petitioner fulfilled all obligations in a timely manner.

4. On February 13, 2019, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that he was eligible for MA coverage subject to a \$943 monthly deductible, effective March 1, 2019. Exhibit A, pp. 5-7.
5. On [REDACTED], 2019, Petitioner submitted to the Department a request for hearing objecting to the Department's determination of his 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, Petitioner is a disabled adult who receives \$1,375 in RSDI income per month. Petitioner was an ongoing recipient of full-coverage MA benefits from the Department until the Department redetermined his eligibility, effective March 1, 2019, ongoing. Pursuant to that redetermination, Petitioner was approved for MA coverage subject to a \$943 monthly deductible. Petitioner objected to the Department's determination of his eligibility for March 1, 2019, ongoing.

Petitioner is in a group size of one, is disabled, and receives \$1,375 per month in unearned income. As a disabled and/or aged individual, Petitioner 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. Given Petitioner's living arrangement, per policy, Petitioner's fiscal group size for SSI-related MA benefits is one. BEM 211 (February 2019), p. 8. It was not disputed that Petitioner receives \$1,375 per month in unearned income in the form of RSDI. BEM 541 (January 2019), p. 3. 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 received a COLA of \$37, which was disregarded from the analysis for the month of March 2019. Petitioner did not allege any other such factors were applicable. Income eligibility for AD-Care exists when countable income does not exceed the income limit for the program. BEM 163, p. 2. The monthly income limit for AD-Care for a one-person MA group is \$1,031.67. RFT 242 (April 2018), p. 1; BEM 541 (January 2018), p. 3. Because Petitioner's monthly household income exceeds \$1,031.67, the Department properly determined Petitioner to be ineligible for MA benefits under AD-Care.

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 one. Petitioner's net income is \$1,355 (his gross income reduced by a \$20 disregard). BEM 541, p. 3. The deductible is the amount that the client's net income (less any allowable needs deductions) exceeds the applicable G2S protected income levels (PIL); the PIL is based on the client's MA fiscal group size and the county in which he resides. BEM 105, p. 1; BEM 166, pp. 1-2; BEM 544 (July 2016), p. 1; RFT 240 (December 2013), p. 1; RFT 200 (April 2017), p. 2. As the month being tested was March, Petitioner was entitled to a \$37 COLA disregard, resulting in countable income equaling \$1,318.

The monthly PIL for a client in Petitioner's position, with an MA fiscal group size of one living in Wayne County, is \$375 per month. RFT 200, p. 2; RFT 240, p. 1. Thus, if Petitioner's monthly countable income is in excess of \$375, he is eligible for MA assistance under the deductible program, with the deductible equal to the amount that his monthly countable income exceeds \$375. BEM 545 (October 2018), pp. 2-3.

In determining the monthly deductible, countable 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 has a monthly health insurance premium or resides in an adult foster care home or home for the aged. Therefore, he is not eligible for those allowances. Petitioner's countable income of \$1,318 reduced by the \$375 PIL equals \$943. That is what the Department concluded and was correct. Therefore, the Department properly determined that Petitioner is eligible for MA benefits under the G2S program subject to a monthly deductible of \$943, effective March 1, 2019.

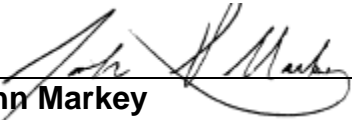
During the hearing, Petitioner asserted that he was eligible for full-coverage MA under the Disabled Adult Children (DAC) program. DAC is an SSI-related MA category that provides full-coverage MA benefits. BEM 158 (October 2014), p. 1. One of the necessary elements of received DAC is that the client must have received SSI at some point in time. BEM 158, p. 1. As Petitioner has never received SSI benefits, Petitioner is necessarily ineligible for DAC MA benefits.

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 that Petitioner was eligible for MA benefits, effective March 1, 2019, subject to a \$943 deductible.

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-Wayne-41-Hearings
D. Smith
EQAD
BSC4- Hearing Decisions
MOAHR

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

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**Authorized Hearing Rep.-
Via First-Class Mail:**

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