



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], MI [REDACTED]

Date Mailed: September 12, 2019  
MOAHR Docket No.: 19-007809  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

### **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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on August 28, 2019, from Lansing, Michigan. Petitioner represented herself. The Department of Health and Human Services was represented by April Nemeč.

### **ISSUE**

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for Medical Assistance (MA)?

### **FINDINGS OF FACT**

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

1. On November 19, 2018, the Department notified Petitioner that she was no longer eligible for the category of Medical Assistance (MA) she was receiving effective December 1, 2018. Exhibit A, pp 8-10.
2. On November 29, 2018, the Department sent Petitioner a Quick Note (DHS-100), instructing her to file an application for Medical Assistance (MA) to ensure that she would not have a lapse of medical coverage. Exhibit A, p 11.
3. On [REDACTED] 2018, the Department received Petitioner's application for Medical Assistance (MA) benefits. Exhibit A, pp 12-27.
4. On January 15, 2019, the Department notified Petitioner that she was eligible for MA benefits as of December 18, 2018. Exhibit A, pp 28-31.

5. On February 2, 2019, the Department notified Petitioner that she was eligible for Medical Assistance (MA) as of March 1, 2019. Exhibit A, pp 41-43.
6. On March 4, 2019, the Department notified Petitioner that she was eligible for Medical Assistance (MA) as of April 1, 2019. Exhibit A, pp 47-49.
7. On April 2, 2019, the Department notified Petitioner that she was eligible for Medical Assistance (MA) as of May 1, 2019. Exhibit A, pp 53-55.
8. On April 25, 2019, the Department notified Petitioner that she was eligible for Medical Assistance (MA) as of June 1, 2019. Exhibit A, pp 53-55.
9. On June 3, 2019, the Department notified Petitioner that she was eligible for Medical Assistance (MA) as of July 1, 2019. Exhibit A, pp 64-66.
10. Petitioner incurred medical expenses for a on June 1, 2013, which was improperly recorded as a reoccurring expense instead of a one-time expense. Exhibit A, p 69.
11. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$970. Exhibit A, pp 70-72.
12. Petitioner stopped receiving Supplemental Security Income (SSI) on October 1, 2018. Exhibit A, p 72.
13. Petitioner receives monthly pension income in the gross monthly amount of \$118. Exhibit A, p 73.
14. On July 16, 2019, the Department received Petitioner's request for a hearing protesting the level of Medical Assistance (MA) she is receiving. Exhibit A, pp 6-7.

### **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.

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. Department of Health and Human Services Bridges Eligibility Manual (BEM) 105 (April 1, 2017), p 2.

Petitioner was an ongoing MA recipient as a recipient of SSI benefits. When the Department discovered that she was no longer an SSI recipient and that she had begun receiving RSDI benefits instead, the Department redetermined the most beneficial category of MA benefits that she would be eligible for.

A review of Petitioner's case reveals that the Department budgeted correct amount of income received by Petitioner, which consists of RSDI benefits and a monthly pension payment. Petitioner's "protected income level" is \$408, and this amount cannot be changed either by the Department or by this Administrative Law Judge. Department of Human Services Reference Table Manual (RFT) 240 (December 1, 2013), p 1. Department's determination that the Petitioner has a \$660 deductible per month she must meet in order to qualify for MA for any medical expenses above is therefore correct.

Petitioner had incurred medical expenses on June 1, 2013, which had been improperly recorded a reoccurring expense instead of a one-time expense. This improperly recorded expense did not affect the level of MA she was eligible for while receiving SSI benefits.

However, as of December 1, 2018, Petitioner was no longer receiving SSI benefits, and since her RSDI and pension income exceeded the federal poverty level, she no longer qualifies for "full Medicaid." Even though she was receiving MA benefits with a monthly deductible, the improperly recorded medical expense was being used to meet her monthly deductible in each month, and Petitioner continued to receive "full Medicaid" in each month.

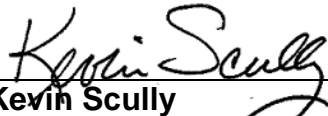
Now that the Department has removed the improperly recorded medical expenses from Petitioner's benefit file, she remains eligible for ongoing MA benefits, but must incur medical expenses exceeding \$660 to meet her monthly deductible before she is eligible for MA benefits in each month.

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 eligibility for ongoing Medical Assistance (MA) benefits.

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/hb

  
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**Kevin Scully**  
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

**DHHS**

Tamara Morris  
125 E. Union St 7th Floor  
Flint, MI 48502

Genesee County (Union), DHHS

BSC2 via electronic mail

D. Smith via electronic mail

EQADHShearings via electronic mail

**Petitioner**

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