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

ORLENE HAWKS DIRECTOR



Date Mailed: June 11, 2020 MOAHR Docket No.: 20-001890 Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Janice Spodarek

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 three-way telephone hearing was held on June 11, 2020, from Lansing, Michigan.

Petitioner appeared unrepresented.

The Department of Health and Human Services (Department) was represented by Melissa Brandt, APS.

Department Exhibit A.28 was offered and admitted into the record.

<u>ISSUE</u>

Did the Department properly close Petitioner's Medicaid (MA) case?

FINDINGS OF FACT

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

- 1. At all relevant times prior to the action herein, Petitioner was a beneficiary of the MA Healthy Michigan Plan (HMP).
- 2. On January 21, 2020, Petitioner turned in review paperwork failing to indicate any income.
- 3. On February 20, 2020, Petitioner verbally indicated to his caseworker that he was getting worker's compensation.

- 4. Verification received from the State of Washington dated January 10, 2014, states that Petitioner's "time loss compensation benefits" were terminated February 15, 2014. Exhibit A.15.
- 5. A March 7, 2014, letter from the Department of Labor and Industries for the State of Washington states that as of February 16, 2014, Petitioner was considered permanently disabled, and began receiving a pension payment of per month. Exhibit A.15.
- 6. Petitioner's current monthly pension payments are per month, totaling per year. Exhibit A. Additional unreported rental income was not calculated in making the determination herein.
- 7. The income limit for HMP is \$1,384.31 per month.
- 8. On February 20, 2020, the Department issued a Health Coverage Determination Notice informing Petitioner that his MA will close effective April 1, 2020, due to Petitioner's pension income, making Petitioner over the income limit for HMP.
- 9. On March 5, 2020, Petitioner filed a hearing request.

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, the Department contends that evidence shows that Petitioner receives pension payments and has received pension payments since February 16, 2014. Under BEM 503, the Department is required to count the gross amount of a pension payment in calculating MA eligibility. Evidence further shows that Petitioner's pension payments of far exceed the welfare MA cap of \$16,612.

Petitioner argues that the payments are worker's compensation and not pension. However, all verification submitted and verified by the Michigan DHHS indicates that the payments are pension payments. Petitioner provided no evidence that the payments were not pension payments. Petitioner also argued that he would eligible for welfare MA in the State of Washington. The State of Washington's welfare laws and regulations are not authority for the laws and procedures in the State of Michigan.

Petitioner also argued that the Michigan Health Department told Petitioner that he was eligible. Petitioner's statement regarding any statement made by any person outside the DHHS does not impact the federal and state laws of the State of Michigan in calculating MA eligibility.

Petitioner failed to meet his burden of proof to establish eligibility for MA. As such, 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 closed Petitioner's MA due to excess income.

It is noted that this hearing does not address any recoupment or repayment of benefits that may be required of Petitioner. If the Department recoups, Petitioner will receive notification in the future regarding the same which will also contain information regarding any hearing rights.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

JS/ml

Janie Spodenk

Jánice Spodařek 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

Ionia County DHHS - Via Electronic Mail

D. Smith – Via Electronic Mail

EQAD – Via Electronic Mail



Petitioner