



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: July 8, 2020  
MOAHR Docket No.: 20-003571  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Jeffrey Kemm

### **HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; 42 CFR 431.200 to 431.250; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on July 8, 2020. Petitioner, [REDACTED], appeared and represented himself. Petitioner had one witness, Jennifer Zadorski, Caseworker. Respondent, Department of Health and Human Services (Department), had John Fankhauser, Eligibility Specialist, appear as its representative. Neither party had any additional witnesses.

One exhibit was admitted into evidence during the hearing. A 12-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

### **ISSUE**

Did the Department properly determine Petitioner's Medical Assistance (MA) eligibility when the Department determined that MA with a spenddown was the best available health care coverage that Petitioner was eligible for?

### **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's date of birth is [REDACTED] 1956.
2. Petitioner does not live with a spouse or any dependents.
3. Petitioner is disabled.
4. Petitioner does not have Medicare.

5. Petitioner's monthly income consists of [REDACTED] from social security and [REDACTED] from a pension.
6. Petitioner requested MA from the Department.
7. Initially, the Department approved Petitioner for full-coverage MA through the Healthy Michigan Plan.
8. Subsequently, the Department discovered that Petitioner should not have been approved for full-coverage MA through the Healthy Michigan Plan because Petitioner did not meet the eligibility requirements.
9. The Department evaluated Petitioner's case and determined that the best available healthcare coverage for Petitioner was MA with a spenddown.
10. On March 16, 2020, the Department mailed a healthcare coverage determination notice to Petitioner to notify him that he was eligible for MA with a \$1,639.00 monthly spenddown, effective April 1, 2020.
11. On March 16, 2020, Petitioner requested a hearing to dispute the Department's decision.

### **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 administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, the Department initially found Petitioner eligible for full-coverage MA through the Healthy Michigan Plan. However, the Department subsequently found Petitioner ineligible for full-coverage MA. Petitioner is disputing the Department's decision to find him ineligible for full-coverage MA.

Full-coverage MA is available through the Healthy Michigan Plan for individuals aged 19 to 64 who have no other health insurance and meet the program's income requirements. BEM 137 (January 1, 2019), p. 1. The income requirement is that income must be at or below 133% of the Federal Poverty Level (FPL). *Id.* The FPL for a household size of one in 2020 is \$12,760.00. 85 FR 3060 (January 17, 2020),

p. 3060-2061. Petitioner has a household size of one because he does not live with a spouse or any dependents, so Petitioner's income limit for full-coverage MA through the Healthy Michigan Plan is \$16,970.80. Petitioner's income is [REDACTED], so Petitioner's income exceeds the limit. Since Petitioner's income exceeds the limit, the Department properly found Petitioner ineligible for full-coverage MA through the Healthy Michigan Plan.

Since Petitioner was ineligible for full-coverage MA through the Healthy Michigan Plan, the Department properly determined that MA with a spenddown was the best available health care coverage that Petitioner was eligible for. Although MA is available through other programs, there was no evidence presented to establish that Petitioner would have been eligible for any better coverage than MA with a spenddown. Even though Petitioner is disabled, Petitioner is still subject to the income limits to be eligible for MA.

### **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 did act in accordance with its policies and the applicable law when it determined that MA with a spenddown was the best available health care coverage that Petitioner was eligible for

IT IS ORDERED the Department's decision is AFFIRMED.

JK/ml



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Jeffrey Kemm  
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**

Lenawee County DHHS – Via Electronic Mail

BSC4 – Via Electronic Mail

D. Smith – Via Electronic Mail

EQAD – Via Electronic Mail

**Petitioner**

██████████ – Via First Class Mail  
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