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GOVERNOR

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

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DIRECTOR

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Date Mailed: March 7, 2023
MOAHR Docket No.: 23-000445
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Linda Jordan

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 hearing was held on February 23, 2023 via teleconference. Petitioner appeared and represented by herself. Raven Douthard, Hearings Facilitator, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department).

ISSUE

Did MDHHS properly deny Petitioner's request for Medicare Savings Program (MSP) Services?

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 ██████████, 2022, Petitioner submitted an application for health care coverage on behalf of herself and her adopted grandson (Exhibit A, p. 1). Because both individuals were active for Medicaid (MA) benefits, MDHHS considered whether Petitioner was eligible for MSP (Exhibit A, p. 1).
2. On January 11, 2023, MDHHS issued a Health Care Coverage Determination Notice indicating that Petitioner's application for MSP was denied because Petitioner exceeded the income limit for the program (Exhibit A, p. 5). MDHHS determined that Petitioner's annual income was \$ ██████████ (Exhibit A, p. 5).
3. On January 23, 2023, Petitioner filed a Request for Hearing to dispute the denial of her application for MSP (Exhibit A, pp. 3-4).

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

Medicare is a federal program administered by the Social Security Administration (SSA). BAM 810 (January 2020), p. 1. MSP is a state program administered by MDHHS in which the state pays an eligible client's Medicare premiums, coinsurances, and deductibles. BEM 165 (October 2022), pp 1-2; BAM 810, p. 1. All eligibility factors for the program must be met in the calendar month being tested. BEM 165, p. 2. There are three MSP categories: (1) QMB (Qualified Medicare Beneficiary), which pays for a client's Medicare premiums (both Part A, if any, and Part B), Medicare coinsurances and Medicare deductibles; (2) Specified Low-Income Medicare Beneficiaries (SLMB), which pays for a client's Medicare Part B premiums; and (3) Additional Low Income Medicare Beneficiaries (ALMB), which pays for a client's Medicare Part B premiums when funding is available. BEM 165, pp. 1-2. Clients must be entitled to Medicare Part A to be eligible for the program. BEM 165, pp. 5-6. When an adult is applying for MSP, the fiscal and asset group is the adult applicant and their spouse. BEM 211 (July 2019), p. 8.

In this case, MDHHS determined that Petitioner was over the income limit for MSP for a group-size of one. Petitioner disputed MDHHS determination indicating that MDHHS improperly calculated her income and household size. Regarding household size, MDHHS determined that Petitioner had a group-size of one. Petitioner testified that she lived with her adopted grandson and no one else was in the home. For the purposes of MSP, the group-size for an adult applicant includes the adult applicant and his or her spouse. BEM 211, p. 8. Therefore, MDHHS properly determined that Petitioner had a group-size of one.

Income is the major determiner of MSP eligibility and category. BEM 165, p. 1. Effective April 1, 2022, a fiscal group-size of one is income eligible for QMB if their monthly net income is no more than 100% of the Federal Poverty Level (FPL), or \$1,153.00; SLMB if their monthly net monthly income is between 100% and 120% of FPL, or \$1,153.01 and \$1,379.00; and ALMB if their monthly net income is between 120% and 135% of FPL, or \$1,379.01 and \$1,549.00. RFT 242 (April 2022), p. 1; BEM 165, pp. 2, 8. Income eligibility for MSP is based on the FPL and a \$20.00 disregard for

Retirement, Survivors and Disability Insurance (RSDI) income. RFT 242, p.1. BEM 541 (January 2022), p. 3.

MDHHS determined that Petitioner's monthly income was \$ [REDACTED] based on her receipt of Retirement, Survivor's Disability Insurance (RSDI) and a pension. The record shows that Petitioner receives \$ [REDACTED] per month in RSDI and \$ [REDACTED] per month from her pension. Petitioner did not dispute these amounts. Factoring in the \$20.00 disregard, Petitioner's monthly net income was \$ [REDACTED]. There was no evidence of other allowable expenses. Based on these amounts, the record shows that Petitioner was over the income limit for MSP.

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 MDHHS acted in accordance with Department policy when it determined that Petitioner was ineligible for MSP.

DECISION AND ORDER

Accordingly, MDHHS' decision is **AFFIRMED**.



Linda Jordan
Administrative Law Judge

LJ/tm

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-Electronic Mail :

DHHS
Jeanenne Broadnax
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Taylor, MI 48180
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Interested Parties
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Via-First Class Mail :

Petitioner
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