



GRETCHEN WHITMER  
GOVERNOR

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

MARLON I. BROWN, DPA  
ACTING DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: November 20, 2023  
MOAHR Docket No.: 23-005654  
Agency No.: [REDACTED]  
Petitioner: [REDACTED] [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Colleen Lack**

### **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 October 19, 2023, from Lansing, Michigan. [REDACTED] [REDACTED] the Petitioner, appeared on her own behalf. The Department of Health and Human Services (Department) was represented by Tamara Jackson, Hearing Facilitator. Gretchen Woodke, back up Hearing Facilitator, was present as an observer.

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-17.

### **ISSUE**

Did the Department properly determine Petitioner's household member'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 August [REDACTED] 2023, Petitioner submitted a Redetermination for MA and included check stubs for household member [REDACTED] [REDACTED] (SC). On the Redetermination, Petitioner reported that income does not change from month to month. (Exhibit A, pp. 7-12)
2. The Department determined that SC's monthly income was \$ [REDACTED] (Exhibit A, p. 13)

3. On August 17, 2023, a Health Care Coverage Determination Notice was issued to Petitioner stating MA would close for SC effective September 1, 2023 based on income in excess of program limits. (Exhibit A, pp. 14-17)
4. On September 7, 2023, Petitioner filed a hearing request contesting the Department's determination. Additional check stubs and a letter from SC's employer were included. (Exhibit A, pp. 3-6)

### **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.

The Department considers the gross wages when determining eligibility for MA. BEM 501, July 1, 2022, p. 7.

The Medicaid program comprise several sub-programs or categories. In general, the terms Group 1 and Group 2 relate to financial eligibility factors. For Group 1, net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. The income limit, which varies by category, is for nonmedical needs such as food and shelter. Medical expenses are not used when determining eligibility for MAGI-related and SSI-related Group 1 categories. For Group 2, eligibility is possible even when net income exceeds the income limit. This is because incurred medical expenses are used when determining eligibility for Group 2 categories. Group 2 categories are considered a limited benefit as a deductible is possible. BEM 105, January 1, 2021, p. 1.

SC was only potentially eligible for the Healthy Michigan Plan (MA-HMP) program. For example, based on the information reported on the Redetermination, Petitioner was not under age 19, aged, blind, disabled, pregnant, or a parent or caretaker relative a dependent child. (Exhibit A, pp. 7-10)

Healthy Michigan Plan (MA-HMP) is based on Modified Adjusted Gross Income (MAGI) methodology. The MA-HMP provides health care coverage for individuals who: are 19-64 years of age; do not qualify for or are not enrolled in Medicare; do not qualify for or

are not enrolled in other Medicaid programs; are not pregnant at the time of application; meet Michigan residency requirements; meet Medicaid citizenship requirements; and have income at or below 133 percent Federal Poverty Level (FPL). BEM 137, June 1, 2020, p. 1.

Medicaid eligibility is determined on a calendar month basis. Unless policy specifies otherwise, circumstances that existed, or are expected to exist, during the calendar month being tested are used to determine eligibility for that month. When determining eligibility for a future month, assume circumstances as of the processing date will continue unchanged unless you have information that indicates otherwise. BEM 105, January 1, 2021, p. 2. This is consistent with 42 CFR § 435.603(h), which states that financial eligibility for Medicaid for applicants must be based on current monthly household income and family size.

The 2023 FPL for the 48 contiguous states and the District of Columbia for a group size of one is an annual income of \$14,580.00. Accordingly, 133% of FPL is \$19,391.40 for a group size of one. Divided by 12, this would equate to \$1,615.95 per month.

In this case, the Department utilized the submitted check stubs, as well as the information provided on the Redetermination, to determine SC's eligibility for MA. (Exhibit A, pp. 7-12). The Department determined that SC's monthly income was \$ [REDACTED] (Exhibit A, p. 13). Accordingly, on August 17, 2023, a Health Care Coverage Determination Notice was issued to Petitioner stating MA would close for SC effective September 1, 2023 based on income in excess of program limits. (Exhibit A, pp. 14-17).

Petitioner testified that SC works 40 hours per week as weather permits, and noted that she is a seasonal employee, approximately 7 months per year. (Petitioner Testimony).

Petitioner also testified that she was SC's guardian for many years until SC turned age 18. Petitioner asserted that she was previously told SC would be eligible for MA until age 25. (Petitioner Testimony). However, no category of MA could be found that would have allowed for SC to remain eligible until age 25.

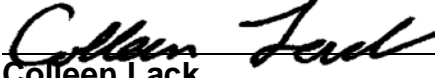
The Department properly determined SC's eligibility for MA based on her current income at that time as verified by the check stubs and as indicated on the Redetermination. Accordingly, the denial of MA must be upheld. SC may wish to reapply for MA and provide updated information regarding her current income.

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 SC's eligibility for MA based on her income at the time of the determination.

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.

CL/dm

  
Colleen Lack  
Administrative Law Judge

**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**  
Melissa Erdman  
Huron County DHHS  
**MDHHS-Huron-  
Hearing@michigan.gov**

**SchaferM**

**EQADhearings**

**BSC2HearingDecisions**

**MOAHR**

**Via-First Class Mail :**

**Petitioner**

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