



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
ACTING DIRECTOR



Date Mailed: January 11, 2024
MOAHR Docket No.: 23-007695
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

HEARING DECISION

On September 25, 2023, Petitioner, [REDACTED] requested a hearing to dispute a Medical Assistance (MA) determination. As a result, a hearing was scheduled to be held on January 9, 2024, pursuant to MCL 400.9; 42 CFR 431.200 to 431.250; and Mich Admin Code, R 792.11002. Petitioner appeared at the hearing and represented herself. Respondent, Department of Health and Human Services (Department), had Ahmed Elahraq, Assistance Payments Supervisor, and Danielle Hurst, Assistance Payments Worker, appear as its representatives. Neither party had any additional witnesses.

One exhibit was admitted into evidence during the hearing. A 33-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 MA eligibility?

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 is aged or disabled.
2. Petitioner is not married.
3. Petitioner lives alone.

4. Petitioner received gross income of [REDACTED] per month from social security RSDI.
5. Petitioner had Medicare coverage, and Petitioner was responsible for paying a \$164.90 per month premium.
6. On June 22, 2023, Petitioner completed a renewal form to renew her MA eligibility.
7. During the renewal, the Department reviewed Petitioner's case and determined that Petitioner was eligible for Group 2 MA with a monthly deductible and limited coverage through the Plan First program.
8. On July 18, 2023, the Department mailed a health care coverage determination notice to Petitioner to notify her that she was eligible for MA with monthly deductible of \$1,113.00, effective August 1, 2023, and the Department notified Petitioner that she was eligible for limited coverage through the Plan First program effective August 1, 2023.
9. The Department subsequently determined that Petitioner was eligible for full coverage MA through the Extended Care program, effective November 1, 2023.
10. Petitioner requested a hearing to dispute the Department's MA eligibility determination.

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.

Petitioner is disputing her health care coverage because she has a deductible, and she would like to have health care coverage without a deductible. Health care coverage is available without a deductible for those who meet program requirements. One of the programs that provides health care coverage without a deductible is AD Care. In order for a client to be eligible for full coverage AD Care, the client must be aged or disabled, and the client's group's net income must not exceed 100% of the Federal Poverty Limit (FPL). BEM 163 (July 1, 2017), pp. 1-2. For AD Care, the client's group size consists

of the client and the client's spouse. BEM 211 (July 1, 2019), p. 8. In this case, Petitioner's group size is one because Petitioner does not have a spouse. The FPL for a household size of one in 2023 is \$14,580.00. 88 FR 3424 (January 19, 2023). This is equal to a monthly income of \$1,215.00.

When group members receive income from social security RSDI, the gross amount received from RSDI is countable. BEM 163 at p. 2. However, \$20.00 is disregarded from unearned income. BEM 541 (January 1, 2023), p. 1. In this case, Petitioner received [REDACTED] per month from social security RSDI. After the \$20.00 disregard, the countable amount was [REDACTED] per month.

Although the income limit for AD Care states that it is based on "net income," this refers to gross income after allowable deductions. BEM 163 at p. 2. The allowable deductions are set forth in BEM 541 for adults, and Petitioner was not eligible for any of the allowable deductions other than the \$20.00 disregard for unearned income. Thus, Petitioner's net income exceeded the limit for Petitioner to be eligible for full-coverage AD Care because the income limit was \$1,215.00 per month, and Petitioner's income was [REDACTED] per month. Therefore, the Department properly found that Petitioner was ineligible for full coverage AD Care.

Since the Department found Petitioner ineligible for health care coverage without a deductible through the AD Care program, the Department determined that the best available coverage for Petitioner was Group 2 MA. Group 2 MA is MA with a monthly deductible, and it is available to clients who are aged or disabled and ineligible for full coverage through the AD Care program. BEM 166 (April 1, 2017), p. 1. Group 2 MA provides health care coverage for any month that (a) an individual's countable income does not exceed the individual's needs as defined in policy, or (b) an individual's allowable medical expenses equal or exceed the amount of the individual's income that exceeds the individual's needs. *Id.* at p. 2.

To determine whether an individual's income exceeds her needs, the Department determines the individual's countable income and needs. Countable income is the same as the income that is used to determine eligibility for AD Care without a deductible. Needs consist of a protected income limit set by policy, the cost of health insurance premiums, and the cost of remedial services. BEM 544 (January 1, 2020), p. 1-3.

The Department calculated Petitioner's excess income by subtracting the protected income limit and Petitioner's Medicare Part B premium from Petitioner's countable monthly income. As stated above, Petitioner's countable monthly income was [REDACTED]. The protected income limit for a household of one in Washtenaw County was \$408.00 per month. RFT 200 (April 1, 2017) and RFT 240 (December 1, 2013). Petitioner's Medicare Part B premium was \$164.90. Thus, Petitioner's excess income was [REDACTED] minus \$408.00, minus \$164.90, which equals [REDACTED] per month. The \$1,113.00 deductible amount determined by the Department was less than this amount, so the Department's deductible amount will be upheld.

The Department also found Petitioner eligible for limited coverage through Plan First. Coverage through Plan First is limited because it only covers family planning services. The income limit for limited coverage through Plan First is 195% of the FPL. BEM 124 (July 1, 2023), p. 1. Petitioner's income was less than the income limit, so the Department properly found Petitioner eligible for limited coverage through Plan First. Although Petitioner may not need or use this MA, the Department was required to find Petitioner eligible for it since she met the program requirements.

After the Department found Petitioner eligible for MA with a monthly deductible and limited coverage through the Plan First program, the Department found Petitioner eligible for full coverage MA through the Extended Care program. The Extended Care program provides full coverage MA to eligible clients. BEM 164 (July 1, 2020), p. 1. In order to be eligible for full coverage MA through the Extended Care program, a client must be ineligible for full coverage MA through another program, an aged or disabled client, a L/H or waiver client, and the client's gross income cannot exceed 300% of the SSI benefit rate. *Id.* As of January 1, 2023, the SSI benefit rate for an individual was \$914.00. RFT 248 (January 1, 2023), p. 1. Thus, the income limit was \$2,742.00 per month. Petitioner's gross countable income was less than the income limit, Petitioner was ineligible for full coverage through another program, and the Department found that Petitioner was a L/H or waiver client, so Petitioner was eligible for full coverage MA through the Extended Care program. Therefore, the Department properly found Petitioner eligible for full coverage MA through the Extended Care program.

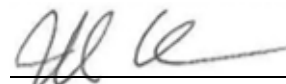
Petitioner now has full coverage MA through the Extended Care program, effective November 1, 2023.

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 Petitioner's Medical Assistance eligibility.

IT IS ORDERED the Department's decision is **AFFIRMED**.

JK/ml



Jeffrey Kemm
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
Trista Waishkey
Washtenaw County DHHS
22 Center Street
Ypsilanti, MI 48198
MDHHS-Washtenaw-Hearings@michigan.gov

Interested Parties
BSC4
M Schaefer
EQAD
MOAHR

Via First Class Mail:

Petitioner
[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]