



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
ACTING DIRECTOR

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

Date Mailed: February 12, 2024
MOAHR Docket No.: 23-008350
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler

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 February 1, 2024. The Petitioner was self-represented. The Department of Health and Human Services (Department) was represented by Angela Arnold, Eligibility Specialist.

ISSUE

Did the Department properly determine Petitioner’s Medicare Savings Program (MSP) 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 had the following verified wages:

September 1, 2023	[REDACTED]
September 8, 2023	[REDACTED]
September 15, 2023	[REDACTED]
September 22, 2023	[REDACTED]
September 29, 2023	[REDACTED]

2. Petitioner receives Retirement Survivors Disability Insurance (RSDI) benefits totaling [REDACTED] per month.

3. On October 28, 2023, the Department issued a Health Care Coverage Determination Notice (HCCDN) to Petitioner advising her that effective December 1, 2023, she was no longer eligible for MSP benefits because her income exceeded the limit for the program.
4. On November 20, 2023, the Department received Petitioner's request for hearing disputing the Department's determination for eligibility for Medicare Savings Program (MSP) benefits.

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.

Petitioner's MSP benefit was closed due to excess income for the program. The MSP is divided into three subcategories. BEM 165 (October 2022), p. 1. Qualified Medicare Beneficiary (QMB) is the full coverage MSP. BEM 165, p. 1. Specified Low-Income Medicare Beneficiary (SLMB) is a limited coverage MSP. *Id.* The third MSP category is the Additional Low-Income Medicare Beneficiary (ALMB). *Id.* QMB pays for Medicare premiums, coinsurances, and deductibles. BEM 165, p. 2. SLMB pays Medicare Part B premiums. *Id.* ALMB pays for Medicare Part B premiums if funding is available. *Id.*

Income determines placement in the programs. BEM 165, p. 1. For QMB, net income cannot exceed 100% of the federal poverty level, the same as AD-Care. *Id.* SLMB is available for individuals whose income is over 100% of the federal poverty level, but not more than 120% of the federal poverty level. *Id.* Finally, ALMB is available to those whose income exceeds 120% of the federal poverty level but does not exceed 135%. *Id.* The 2023 federal poverty level and income limit for QMB for a one-person household is \$14,580.00 or \$1,215.00 per month. <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references>; RFT 242 (April 2023), p. 1. The income limit for SLMB is \$17,496.00 or \$1,458.00. *Id.* Finally, the income limit for ALMB is \$19,683.00 or \$1,640.25. *Id.* The net income limit is established through policy by subtracting \$20.00 from the amount shown in RFT 242.

To determine the countable income for purposes of MSP benefits, the Department relies on the same policies as utilized for AD-Care and G2S: BEM 500, 501, 502, 503, 504, 530, 540, and 541. BEM 165, p. 8.

In determining the eligibility, the Department must determine Petitioner's MA fiscal group size and net income. Petitioner has a group size of one for Supplemental Security Income (SSI)-related MA purposes as there was no evidence presented that Petitioner is married and living with a spouse. BEM 211 (October 2023), p. 8. Petitioner's total monthly income from employment is [REDACTED] in addition to her RSDI benefit of [REDACTED].

Countable income is calculated by adding the amount of income actually received/available within the past month. BEM 530 (April 2020), p. 2. A review of the SSI-Related MA budget submitted by the Department shows that the Department properly considered Petitioner's RSDI income. The Department then properly applied the \$20.00 general exclusion. BEM 541 (January 2023), p. 3. Next, the Department considered Petitioner's earned income as [REDACTED] per month which considers only four of the five paychecks for the month of September 2023. The Department then properly applied the deduction for \$65.00 plus half of the group's remaining earnings to calculate a total net income of [REDACTED]. Therefore, Petitioner's net income is greater than the net income limit set by policy for all categories of the MSP. Petitioner is not eligible for the 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 the Department acted in accordance with Department policy when it determined Petitioner's MSP eligibility.

DECISION AND ORDER

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

AMTM/cc



Amanda M. T. Marler
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 :

Interested Parties

MDHHS-Wayne-19-Hearings
BSC4-HearingDecisions
EQADHearings
M. Schaefer
MOAHR

Via-First Class Mail :

Petitioner

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