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

MARLON I. BROWN, DPA ACTING DIRECTOR



GRETCHEN WHITMER

GOVERNOR

Date Mailed: February 23, 2024
MOAHR Docket No.: 23-009740
Agency No.:
Petitioner:

## ADMINISTRATIVE LAW JUDGE: Kevin Scully

### **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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on February 21, 2024, from Lansing, Michigan. Petitioner represented himself. The Department was represented by Pam Smitter and Sara Hoek.

### ISSUE

Did the Department of Health and Human Services (Department) properly determine that Petitioner's son (I.K.) is not eligible 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. Petitioner's son (I.K.) was an ongoing recipient of Medical Assistance (MA) on October 2023, when the Department received an unsigned Redetermination form. Exhibit A, pp 9-15.
- Petitioner claims his son (I.K.) as a tax dependent and they are part of a household of four people including Petitioner's spouse and another child, but Petitioner only requested Medical Assistance (MA) benefits for one of his children (I.K.). Exhibit A, pp 9-15.
- 3. On or around November 2023, Petitioner resubmitted his properly certified Redetermination form. Exhibit A, pp 27-33.
- 4. On December 2023, the Department received verification of Petitioner's cash assets, which exceed \$3,000. Exhibit A, pp 34-39.
- 5. Petitioner receives monthly earned income from employment in the gross monthly amount of **\$\_\_\_\_\_\_** Exhibit A, pp 21-22.

- 6. Petitioner's spouse receives monthly earned income from employment in the gross monthly amount of **\$2000** Exhibit A, pp 23-26.
- 7. On December 12, 2023, the Department notified Petitioner that his son (I.K.) is not eligible for any category of Medical Assistance (MA) effective January 1, 2024. Exhibit A, pp 42-45.
- 8. On December 26, 2023, the Department received Petitioner's request for a hearing protesting the closure of his son's Medical Assistance (MA) benefits. Exhibit A, pp 4-5

# 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 through 42 USC 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 through 42 CFR 420.25. The Department administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.103 through MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.* 

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. Department of Health and Human Services Bridges Eligibility Manual (BEM) 105 (January 1, 2024), p 2.

Other Healthy Kids (OHK) and the Healthy Kids Expansion (HKE) provide health insurance to children under the age of 19 whose household income does not exceed 160 percent of the Federal Poverty Level (FPL). There is no asset test for these programs. Department of Health and Human Services Bridges Eligibility Manual (BEM) 131 (January 1, 2022), pp 1-2.

MIChild is a MAGI-related Medicaid Expansion program for children who are under 19 years of age and who are not enrolled in comprehensive health insurance. The income limit for children age one to age 19 is 212 percent of the federal poverty level. There is no asset test for this program. Department of Health and Human Services Bridges Eligibility Manual (BEM) 130 (January 1, 2024), pp 1-2.

Petitioner's son (I.K.) is claimed as a tax dependent of Petitioner that is under 19 years of age and is considered as part of a household of four when determining his eligibility for MA benefits. As a household of four, the income of Petitioner and his spouse are countable towards the household's modified adjusted gross income (MAGI). Petitioner

and his spouse receive total gross monthly earned income that is 260% of the federal poverty level for a household of four in 2023. Therefore, Petitioner's son (I.K.) is not eligible for MA benefits under the OHK, HKE, or MiChild categories based on household income.

Medicaid is available to a person who is under age 21 when net income does not exceed the Group 2 needs. These individuals become eligible when medical expenses incurred exceed their monthly deductible and household income no longer exceeds the group needs limit. Department of Health and Human Services Bridges Eligibility Manual (BEM) 132 (April 1, 2018), pp 1-2.

However, in order to be eligible for the MA-G2U category, there is an asset test. The limit of available household assets for the household is \$3,000. Department of Health and Human Services Bridges Eligibility Manual (BEM) 400 (January 1, 2024), p 7.

On December 11, 2023, the Department received verification that Petitioner has available cash assets that exceed \$3,000. Therefore, his son (I.K.) is not eligible for MA benefits under the MA-G2U category based on available household assets. Petitioner's son (I.K.) is not eligible for MA benefits under any category.

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 that Petitioner's son (I.K.) is not eligible for Medical Assistance (MA).

# DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/dm

'Scullv

Administrative Law Judge Michigan Office of Administrative Hearings and Rules (MOAHR)

**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 Kimberly Kornoelje Kent County DHHS MDHHS-Kent-Hearings@michigan.gov

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Via-First Class Mail :

Petitioner