



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

[REDACTED]
MI [REDACTED]

Date Mailed: April 9, 2024
MOAHR Docket No.: 24-000819
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: L. Alisyn Crawford

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 March 13, 2024. Petitioner was present at the hearing, and was represented by [REDACTED] Authorized Hearing Representative (AHR). Also present at the hearing was Petitioner's sister/legal guardian/representative payee, [REDACTED]. The Department of Health and Human Services (Department) was represented by Jamila Goods, Eligibility Specialist.

ISSUE

Did the Department properly determine that Petitioner was eligible for Medicaid (MA) coverage under Group 2 SSI-related (G2S) and Plan First Family Planning (PFFP)?

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 was an ongoing recipient of MA under the AD-Care program.
2. Petitioner is disabled, age [REDACTED] and unmarried.
3. Petitioner received unearned income from Retirement, Survivors and Disability Insurance (RSDI) benefits in the amount of [REDACTED] monthly.

4. In November 2023, in connection with processing Petitioner's completed Mid-Certification Contact Notice for Food Assistance Program (FAP) purposes, the Department updated Petitioner's RSDI income to [REDACTED]
5. On January 2, 2024, the Department issued a Health Care Coverage Determination Notice (HCCDN) to Petitioner informing her that based on her income, she was no longer eligible for MA coverage under AD-Care and was now eligible for MA coverage under G2S with a monthly deductible and limited coverage under PFFP.
6. On January 24, 2024, the Department received Petitioner's legal guardian's request for hearing disputing the Department's action regarding her MA coverage.

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.

In connection with a FAP Mid-Certification, the Department updated Petitioner's RSDI income and concluded that Petitioner was eligible for MA coverage under the G2S program with a monthly deductible and under the PFFP program. Petitioner disputes this coverage.

MA is available (i) under SSI-related categories to individuals who are aged (65 or older), blind or disabled, (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women, (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage, and (iv) to individuals who meet the eligibility criteria for Plan First Medicaid (PF-MA) coverage. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105 (October 2023), p. 1; BEM 137 (June 2020), p. 1; BEM 124 (July 2023), p. 1. Under federal law, an individual eligible under more than one MA category must have eligibility determined for the category selected and is entitled to the most beneficial coverage available, which is the one that results in eligibility and the least amount of excess income or the lowest cost share. BEM 105 (January 2021), p. 2; 42 CFR 435.404.

The Department testified that, in processing the FAP Mid-Certification Contact Notice completed by Petitioner, a State On-Line Query (SOLQ), the Department's database to access information about clients' federal benefits, was run by the Department to verify Petitioner's income. The Department noted in an Unearned Income Budget Summary that Petitioner's RSDI had increased to [REDACTED] monthly, which the Department explained at the hearing was the sum of two RSDI amounts showing on the SOLQ. Exhibit A, p. 8. This noted income increase impacted Petitioner's MA coverage, and with the noted income increase, the Department found that Petitioner was no longer eligible for AD-Care and she was now subject to a monthly deductible. However, the Department testified that an award letter from the Social Security Administration was provided by Petitioner on February 15, 2024, which indicated Petitioner's monthly RSDI amount was [REDACTED] per month beginning in December 2023. At the hearing, the Department acknowledged that there was a discrepancy in the income it budgeted in Petitioner's MA case, and conceded that the [REDACTED] monthly amount was noted in the case file in error. This error resulted in the Department's finding that Petitioner was only eligible for MA with a monthly deductible and PFFP.

Because Petitioner was a Medicare recipient, disabled, and over age 65 and there was no evidence that Petitioner was the parent or caretaker of a minor child, Petitioner was eligible for MA only under an SSI-related category. In determining the SSI-related MA category Petitioner is eligible for, MDHHS must determine Petitioner's MA fiscal group size and net income. As an unmarried individual, Petitioner has fiscal group size for SSI-related MA purposes of one. BEM 211 (October 2023), p. 8. Based on the updated RSDI information provided to the Department, the household's net income for MA purposes is [REDACTED] (Petitioner's gross unearned income of [REDACTED] reduced by a \$20 disregard). BEM 541 (January 2023), p. 3.

Based on this net income, Petitioner does not have excess income for eligibility under the AD-Care program, which is \$1,235 per month for a fiscal group size of one. BEM 163 (July 2017), p. 2; RFT 242 (April 2023), p. 1; <https://aspe.hhs.gov/poverty-guidelines>. Thus, MDHHS did not properly determine Petitioner's eligibility.

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 not act in accordance with Department policy when it determined Petitioner was only eligible for MA coverage with a monthly deductible and PFFP.

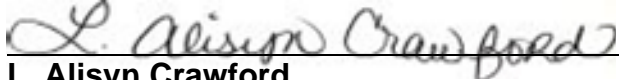
DECISION AND ORDER

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Redetermine Petitioner's eligibility based on the current RSDI unearned income amount, effective February 2024 ongoing;
2. If Petitioner is eligible for MA, provide Petitioner with most beneficial MA coverage she is eligible to receive; and
3. Notify Petitioner of its decision in writing.

LC/ml


L. Alisyn Crawford
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
Susan Noel
Wayne-Inkster-DHHS
26355 Michigan Ave
Inkster, MI 48141
MDHHS-Wayne-19-Hearings@michigan.gov

Interested Parties

BSC4
M Schaefer
EQAD
MOAHR

Via First Class Mail:

Authorized Hearings Representative

[REDACTED]
MI [REDACTED]

Petitioner

[REDACTED]
MI [REDACTED]