



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
DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: April 23, 2024
MOAHR Docket No.: 24-002587
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Julia Norton

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, telephone hearing was held on April 18, 2024. Petitioner appeared and was self-represented. The Department of Health and Human Services (Department) was represented by Karen Smalls, Assistance Payment Supervisor.

ISSUE

Did the Department properly determine Petitioner's eligibility for Medicaid (MA) coverage?

Did the Department properly deny Petitioner's application for State Disability Assistance (SDA)?

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 [REDACTED] years old and lives in [REDACTED] County, Michigan.
2. Petitioner receives [REDACTED] in monthly Retirement, Survivors and Disability Insurance (RSDI) benefits for a disability.
3. Petitioner files taxes and claims [REDACTED] (RS), age [REDACTED] as a dependent.
4. Petitioner is RS's caretaker.
5. Petitioner is not married.

6. The Department issued two Health Care Coverage Determination Notices to Petitioner on February 16, 2024.
 - a. The Department issued a Health Care Coverage Determination Notice to Petitioner indicating that for January 1, 2024 ongoing, Petitioner was not eligible for MA or MSP coverage because Petitioner “requested in writing that your assistance or application for assistance be stopped.” Further, the Notice indicated that Petitioner was not eligible because no group member was an eligible child. Exhibit A, pp. 6-8.
 - b. The Department issued a Health Care Coverage Determination Notice to Petitioner indicating that Petitioner was eligible for MA coverage with a monthly deductible of \$544.00 for January 1, 2024, to January 31, 2024, and a monthly deductible of \$511.00 February 1, 2024, ongoing; Plan First coverage March 1, 2024 ongoing; and Medicare Savings Program (MSP-ALMB) January 1, 2024 ongoing. Exhibit A, pp. 9-14.
7. On March 4, 2024, the Department received Petitioner’s request for hearing disputing both the Department’s action of closing her MA case based on her written request that assistance be stopped and the denial of State Disability Assistance (SDA). Exhibit A, p. 3-5.

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).

MA

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.

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 (January 2024), p. 1; BEM 137 (January 2024),

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, p. 2; 42 CFR 435.404.

HMP is not available to Medicare recipients. BEM 137 (January 2024), p. 1. Petitioner, who as a recipient of MSP-ALMB benefits, is a Medicare recipient, is therefore not eligible for HMP. Petitioner, as the caretaker of a minor child, is potentially eligible for MA under Low Income Family/Parent Caretaker (LIF/PCR) but Petitioner's income (██████████ per month) exceeds the limits for LIF/PCR coverage as eligibility is limited to those with income at or below 54% of the federal poverty level applicable to household size. Petitioner, a tax filer who claims RS as a dependent, as a group size of two for LIF/PCR purposes. BEM 211 (October 2023), p. 2. For a two-person household, 54% of the FPL is \$11,037.60 annually or \$919.00 monthly. <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>, last accessed April 19, 2024. Petitioner's (██████████) in monthly in RSDI exceeds the income limit for LIF/PCR coverage.

As a disabled individual, Petitioner is potentially eligible to receive MA benefits through AD-Care. AD-Care is an SSI-related full-coverage MA program. BEM 163 (July 2017), p. 1. Petitioner is not married and for SSI-related MA purposes, has a fiscal group size of one. BEM 211, p. 8. Income eligibility for AD-Care exists when countable income does not exceed the income limit for the program. BEM 163, p. 2. The income limit for AD-Care for a one-person MA fiscal group is \$1,235.00. RFT 242 (April 2024), p. 1. Because Petitioner's monthly household income of (██████████) exceeds \$1,235.00, Petitioner has excess income to be eligible for full-coverage MA benefits under AD-Care.

Petitioners who are ineligible for full-coverage MA because of excess income may still receive MA benefits subject to a monthly deductible through a Group 2 Medicaid category. BEM 105, p. 1. Petitioner testified she is the caretaker of a minor child. Therefore, she may qualify for MA through either the Group 2-Caretaker MA program (G2C) or Group 2 SSI-related program (G2S), which provide for MA coverage with a monthly deductible. BEM 166 (April 2017) p.1.

Here, the Department concluded that Petitioner was eligible for MA subject to a monthly \$544.00 deductible in January 2024 and a \$511.00 monthly deductible for February 2024 ongoing. But, the Department could not explain what Group 2 deductible program Petitioner was eligible for and did not present Petitioner's deductible budget used to calculate the monthly deductible amounts listed in the February 16, 2024, Health Care Coverage Determination Notice, first erroneously testifying that the deductible amounts were for MSP-ALMB benefits and then testifying that the deductible amounts were still pending an asset detection and the Department had not yet determined the deductible amount. Additionally, the Department testified that the February 16, 2024, Health Care Coverage Determination Notice stating Petitioner had requested the termination of her own assistance was issued in error.

The Department failed to meet its burden of establishing it properly determined Petitioner's eligibility for an MA program with the most beneficial coverage and the least amount of excess income or lowest cost share.

SDA

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services (formerly known as the Department of Human Services) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

In this case, Petitioner testified that there was no longer a dispute with SDA benefits. The portion of the hearing request related to SDA benefits is **DISMISSED**.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it failed to establish it properly determined Petitioner's MA eligibility.

DECISION AND ORDER

Accordingly, the hearing request for the SDA case is **DISMISSED** and Department's decision in the MA case 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 for MA benefits for January 2024 ongoing taking into consideration her status as the caretaker of a minor child.
2. If Petitioner is eligible for benefits, provide Petitioner with most beneficial MA coverage for each eligible month January 2024 ongoing.
3. Notify Petitioner of its decision in writing.



Julia Norton
Administrative Law Judge

JN/ml

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

Yaita Turner

Oakland County Southfield District III

25620 W. 8 Mile Rd

Southfield, MI 48033

MDHHS-Oakland-6303-Hearings@michigan.gov

Interested Parties

BSC 4

M Schaefer

EQAD

Via First Class Mail:

Petitioner

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