GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN DIRECTOR



Date Mailed: July 2, 2024

MOAHR Docket No.: 24-003832

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 June 4, 2024, from Lansing, Michigan. ______ the Petitioner, appeared on his own behalf. The Department of Health and Human Services (Department) was represented by Desiree Howell, Assistance Payments Worker (APW).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-20.

ISSUES

Did the Department properly determine Petitioner's eligibility for Medical Assistance (MA) and the State SSI Payments (SSP) program?

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 receiving SSP benefits based on receiving Social Security Administration (SSA) issued Supplemental Security Income (SSI) benefits.
- 2. Petitioner was receiving MA based on receiving SSI benefits (MA-SSI).
- 3. On February 2024, a Notice of State SSI Payment Change was issued to Petitioner stating the quarterly State SSI payment would been cancelled effective February 2024 because SSA notified the Department that Petitioner did not receive a regular first of the month SSI payment for three months. (Exhibit A, p. 20)

- 4. On March 2024, a Health Care Coverage Determination Notice was issued to Petitioner stating he was not eligible for MA effective March 1, 2024 because he failed to return the redetermination form/proofs needed to review his eligibility for assistance and indicating he was no longer eligible under the MA-SSI category because he did not meet program requirements. (Exhibit A, pp. 17-19)
- 5. On March 2024, a Health Care Coverage Determination Notice was issued to Petitioner stating Petitioner was eligible for MA under the Healthy Michigan Program (MA-HMP) category effective March 1, 2024. (Exhibit A, pp. 9-11)
- 6. On April 3, 2024, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 3-6)

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.

The State SSI Payments (SSP) program is established by 20 CFR 416.2001-.2099 and the Social Security Act, 42 USC 1382e. The Department administers the program pursuant to MCL 400.10.

Supplemental Security Income (SSI) is a cash benefit to needy persons who are aged (at least 65), blind or disabled. It is a federal program administered by the Social Security Administration (SSA). States are allowed the option to supplement the federal benefit with state funds. In Michigan SSI benefits include a basic federal benefit and an additional amount paid with state funds. BEM 660, October 1, 2021, p. 1.

For the SSP program, payments are made for only those months the recipient received a regular first of the month federal benefit. These are shown on SOLQ as a recurring payment dated the first of the month. SSPs are not issued for retroactive or supplemental federal benefits. BEM 660, October 1, 2021, p. 1.

The Medicaid program comprise several sub-programs or categories. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. BEM 105, January 1, 2024, p. 1.

In general, the terms Group 1 and Group 2 relate to financial eligibility factors. For Group 1, net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. The income limit, which varies by category, is for nonmedical needs such as food and shelter. Medical expenses are not used when determining eligibility for MAGI-related and SSI-related Group 1 categories. For Group 2, eligibility is possible even when net income exceeds the income limit. This is because incurred medical expenses are used when determining eligibility for Group 2 categories. Group 2 categories are considered a limited benefit as a deductible is possible. BEM 105, p. 1.

To be automatically eligible for MA an SSI recipient must both: be a Michigan resident; and cooperate with third-party resource liability requirements. MDHHS administers MA for SSI recipients, including a continued MA eligibility determination when SSI benefits end. BEM 150, January 1, 2024, p. 1.

Healthy Michigan Plan (MA-HMP) is based on Modified Adjusted Gross Income (MAGI) methodology. The MA-HMP provides health care coverage for individuals who: are 19-64 years of age; do not qualify for or are not enrolled in Medicare; do not qualify for or are not enrolled in other Medicaid programs; are not pregnant at the time of application; meet Michigan residency requirements; meet Medicaid citizenship requirements; and have income at or below 133 percent Federal Poverty Level (FPL). BEM 137, January 1, 2024, p. 1.

In this case, it was uncontested that Petitioner's SSA issued SSI benefits ended. Petitioner testified that he did not understand why SSA cut him off, they said something about his medical. Petitioner's primary care provider has sent them information. (Petitioner Testimony).

Petitioner was no longer eligible for MA-SSI or for SSP program when he was no longer receiving SSI benefits. The Department properly closed Petitioner's MA-SSI and SSP benefits. The Department then reviewed Petitioner's eligibility for MA under other categories and determined that Petitioner is eligible for full MA coverage under the MA-HMP 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 Petitioner's eligibility for MA and the SSP program.

DECISION AND ORDER

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

CL/dm

Colleen Lack

Administrative Law Judge

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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 <u>Via-Electronic Mail :</u> DHHS

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Via-First Class Mail:

