



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED]
[REDACTED]
MI [REDACTED]

Date Mailed: October 30, 2023
MOAHR Docket No.: 23-005348
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle Nuccio

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 October 11, 2023. Petitioner appeared and represented herself. The Department of Health and Human Services (MDHHS) was represented by Rayvon Longmire, Eligibility Specialist.

ISSUE

Did MDHHS properly deny Petitioner's Medicare Cost Share/Medicare Savings Program (MSP) benefit due to excess income?

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 a Medicare recipient.
2. Petitioner receives \$ [REDACTED] in monthly Retirement, Survivors, Disability Insurance (RSDI) (Exhibit A, pp. 16-17).
3. On [REDACTED] 2023, Petitioner submitted an application for assistance in paying Medicare Premiums (MSP) for a household size of one (Exhibit A, pp. 7-12).
4. Petitioner works at [REDACTED] (Employer). Paystubs from Employer show that Petitioner is paid biweekly, receiving \$ [REDACTED] on April 16, 2023, and \$ [REDACTED] on April 30, 2023 (Exhibit A, pp. 19-20).
5. On August 1, 2023, MDHHS issued a Healthcare Coverage Determination Notice to Petitioner, informing her that she is not eligible for MSP due to excess income.

MDHHS stated that they determined Petitioner's annual income to be \$ [REDACTED] (Exhibit A, pp. 13-15).

6. On August 25, 2023, Petitioner timely submitted a request for hearing to dispute the denial of her Medicare Cost Share application due to excess income (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 1396-1396w-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 this case, Petitioner applied for MSP. MDHHS denied Petitioner's MSP application due to excess income.

MSP are SSI-related MA categories. There are three MSP categories: Qualified Medicare Beneficiaries (QMB); Specified Low-Income Medicare Beneficiaries (SLMB); and Additional Low-Income Beneficiaries (ALMB). BEM 165 (January 2018), p. 1. QMB is a full coverage MSP that pays Medicare premiums (Medicare Part B premiums and Part A premiums for those few people who have them), Medicare coinsurances, and Medicare deductibles. SLMB pays Medicare Part B premiums and ALMB pays Medicare Part B premiums provided funding is available. BEM 165, pp. 1-2. Income eligibility for MSP benefits may exist when net income is within the limits in RFT 242 or 247 or when below 135% of the FPL. To qualify for QMB, clients in a household of one must have income below \$1,235.00 monthly. To qualify for SLMB, clients in a household of one must have income below \$1,235.01-\$1,478.00 monthly. To qualify for ALMB, clients in a household of one must have income below \$1,478.01-\$1,660.25 monthly. RFT 242 (April 2023) p. 1. MDHHS is to determine countable income according to the SSI-related MA policies in BEM 500 and 530 (available income), except as otherwise explained in BEM 165. RFT 242, p. 1; BEM 165, pp. 7-8.

In this case, MDHHS testified that they determined that Petitioner has \$ [REDACTED] in monthly income (\$ [REDACTED] from RSDI and \$ [REDACTED] from employment). Upon review, the total gross income from the Employer paystubs provided is \$ [REDACTED], higher than the amount that MDHHS relied upon. Since the amount that MDHHS relied upon

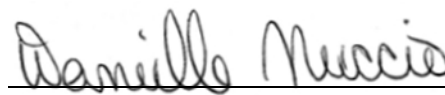
ultimately benefits Petitioner, this will be considered harmless error. Per RFT 242, Petitioner's monthly income exceeds the amount for any MSP limit. Therefore, MDHHS properly denied Petitioner's application for MSP due to excess income.

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 denied Petitioner's application.

DECISION AND ORDER

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

DN/mp



Danielle Nuccio

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-Oakland-DistrictII-Hearings
EQAD Hearings
M. Schaefer
MOAHR
BSC4

Via-First Class Mail :

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