



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

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Date Mailed: February 15, 2024
MOAHR Docket █████ 23-007561
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 January 17, 2024, from Lansing, Michigan. ██████████ ██████████ the Petitioner, appeared on his own behalf. ██████████ ██████████ friend, appeared as a witness for Petitioner. The Department of Health and Human Services (Department) was represented by Emily Camp, Family Independence Manager (FIM).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-25, and Petitioner's additional documentation was admitted as Exhibit 1, pp. 1-3.

ISSUE

Did the Department properly determine Petitioner's eligibility 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. On October █████ 2023, Petitioner submitted a Redetermination and reported increased income. Petitioner also reported assets including a checking account with \$██████████ multiple vehicles, and a boat. (Exhibit A, pp. 12-20)
2. On October █████ 2023, the Department verified Petitioner's income from Social Security Administration (SSA) issued Retirement Survivors Disability Insurance (RSDI) benefits. (Exhibit A, pp. 1 and 21)

3. On October █ 2023, A Health Care Coverage Determination Notice was issued indicating Petitioner was only eligible for limited coverage MA benefits effective November 1, 2023. (Exhibit A, pp. 22-24)
4. The Department determined that Petitioner exceeded the income and asset limits for full coverage MA. (Exhibit A, p. 25; FIM Testimony)
5. On October 27, 2023, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 4-11)

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 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. Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MICHild, Flint Water Group and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology. 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, October 1, 2023, p. 1.

Medicaid eligibility is determined on a calendar month basis. Unless policy specifies otherwise, circumstances that existed, or are expected to exist, during the calendar month being tested are used to determine eligibility for that month. BEM 105, October 1, 2023, p. 2.

Aged or Disabled (MA-AD) is an SSI-related Group 1 MA category. MA-AD is available to persons who are aged or disabled. Net income cannot exceed 100% of the poverty level. The net income limit can be determined by subtracting twenty dollars from the income limits listed in table one of RFT 242. BEM 163, July 1, 2017, pp. 1-2. Effective April 1, 2023, the listed monthly income limit for a group size of one is \$1,235.00. RFT 242, April 1, 2023, p. 1.

The Department counts the gross benefit amount of Social Security Administration (SSA) issued RSDI benefits as unearned income when determining eligibility. BEM 503, January 1, 2023, p. 29.

Asset eligibility is required for SSI-related MA categories as well as Group 2 Persons Under Age 21 (G2U) and Group 2 Caretaker Relative (G2C). Asset eligibility exists when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400, July 1, 2023, pp. 6-7. For the SSI related MA categories for a group of one the asset limit is \$2,000.00. BEM 400. pp. 6-8.

The Healthy Michigan Plan (HMP) provides health care coverage for individuals who do not qualify for or are not enrolled in Medicare. BEM 137, June 1, 2020, p. 1.

In this case, Petitioner was previously receiving MA under the HMP category. (FIM Testimony). Petitioner continued to receive MA during the COVID-19 public health emergency due to COVID-19 Pandemic policies that kept all MA programs active without reduction of coverage since March 2020. These policies were lifted following the end of the public health emergency as of June 1, 2023. Petitioner did not dispute that he now receives Medicare. (Petitioner and Friend Testimony. Pursuant to the BEM 137 policy, Petitioner is no longer eligible for MA-HMP because he qualifies for Medicare.

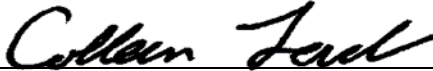
The MA category Petitioner is potentially eligible for is related to his age and being disabled. (FIM Testimony). As indicated above MA-AD is an SSI-related Group 1 MA category which has income and asset limits. On the October [REDACTED] 2023 Redetermination, Petitioner reported assets including a checking account with \$ [REDACTED] multiple vehicles, and a boat. (Exhibit A, pp. 12-20). Accordingly, Petitioner exceeded the applicable \$2,000.00 asset limit for the SSI related MA categories.

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 based on the information provided at the time of the October [REDACTED] 2023 determination.

DECISION AND ORDER

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

CL/dm



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

SchaferM

EQADhearings

BSC3HearingDecisions

MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]