



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: April 10, 2024
MOAHR Docket No.: 24-000975
Agency No.: [REDACTED]
Petitioner: [REDACTED] [REDACTED]

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 March 12, 2024, from Lansing, Michigan. The Petitioner was represented by [REDACTED] [REDACTED] and [REDACTED] [REDACTED] parents and legal guardians. The Department of Health and Human Services (Department) was represented by Katrina Brown, Eligibility Specialist (ES).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-28.

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. Petitioner was receiving MA based on receiving Supplemental Security Income (SSI) benefits (MA-SSI).
2. Petitioner's SSI benefits were ending, and Petitioner would start receiving Retirement Survivors Disability Insurance (RSDI) benefits.

3. On December █ 2023, an application for MA was filed on Petitioner's behalf requesting that Petitioner be assessed as a Dependent Adult Child. (Exhibit A, pp. 6-20)
4. On January █ 2024, a Health Care Coverage Determination Notice was issued to Petitioner for case number █ stating Petitioner was not eligible for MA effective February 1, 2024 because he is not under 21, pregnant, a caretaker or a minor child in the home, over 65, blind, or disabled. (Exhibit A, pp. 21-23)
5. On January █ 2024, a Health Care Coverage Determination Notice was issued to Petitioner for case number █ stating Petitioner was approved for MA effective February 1, 2024 under the Health Michigan Plan category (MA-HMP). The Notice also stated Petitioner was not eligible because he is eligible for this program in another case. (Exhibit A, pp. 24-27)
6. On January █ 2024, a hearing request was filed on Petitioner's behalf. (Exhibit A, p. 3)
7. On February █ 2024, the local Department office submitted a request for a Disabled Adult Child (DAC) determination for Petitioner. (Exhibit A, p. 28)
8. On February 13, 2024, Petitioner has subsequently been approved as a DAC by the Department. (ES Testimony)

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. 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, October 1, 2023, 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.

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.

Disabled Adult Children (MA DAC) is also an SSI-related Group 1 MA category. MA DAC is available to a person receiving disabled adult children's (DAC) (also called Childhood Disability Beneficiaries' or CDBs') RSDI benefits under section 202(d) of the Social Security Act if he or she:

1. Is age 18 or older; and
2. Received Supplemental Security Income (SSI); and
3. Ceased to be eligible for SSI on or after July 1, 1987, because he became entitled to DAC RSDI benefits under section 202(d) of the Act or an increase in such RSDI benefits; and
4. Is currently receiving DAC RSDI benefits under section 202(d) of the Act; and
Note: To receive DAC RSDI a person must have a disability or blindness that began before age 22.
5. Would be eligible for SSI without such RSDI benefits.

BEM 158, October 1, 2014, p. 1.

In this case, while the written notices of case action did not clearly reflect the Department's actions, the Department properly determined Petitioner's eligibility for MA. Petitioner could no longer receive MA under the category for SSI recipients when he stopped receiving SSI benefits. Accordingly, one of the January 1, 2024 Health Care Coverage

Determination Notices was intended to address the closure of the automatic MA Petitioner was receiving based on receiving SSI benefits. Unfortunately, the templated language of this notice also stated that Petitioner was not disabled and did not reflect that MA eligibility was still being reviewed to see if Petitioner qualified under any other MA category. (Exhibit A, pp. 21-23). The second January [REDACTED] 2024 Health Care Coverage Determination Notice accurately reflected that Petitioner was approved for MA-HMP. Unfortunately, this notice was unclear because it also stated that Petitioner was not eligible because he is eligible for this program in another case. (Exhibit A, pp. 24-27).

However, the Department properly closed the automatic MA based on Petitioner receiving SSI benefits when his SSI benefits ended. The Department did review eligibility under the additional MA categories, and he was approved under another full coverage MA category, MA-HMP, with no gap in coverage. The Department has also subsequently approved Petitioner as a DAC. (ES Testimony)

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.

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
Chelsea McCune
Macomb County DHHS Warren Dist.
**MDHHS-Macomb-20-
Hearings@michigan.gov**

SchaeferM

EQADHearings

BSC4HearingDecisions

MOAHR

Via-First Class Mail :

Petitioner
[REDACTED]
[REDACTED]
[REDACTED]