



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN DPA
DIRECTOR

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Date Mailed: April 24, 2024
MOAHR Docket No.: 24-001190
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 27, 2024, from Lansing, Michigan. The Petitioner was represented by herself. ██████████ also appeared and testified for the Petitioner. The Department of Health and Human Services (Department) was represented by Supervisor Ashley Evans. Department Exhibit 1, pp. 1-58 was received and admitted.

ISSUE

Did the Department properly close Petitioner's Medical Assistance Healthy Michigan Plan (MA-HMP) case 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. Petitioners were receiving MA-HMP.
2. On November 3, 2023, Petitioner submitted redetermination paperwork.
3. On January 2, 2024, a Health Care Coverage Determination Notice was sent to Petitioner informing her that ██████████ and ██████████ were not eligible for the Medicaid and Medicare Savings Program from February 1, 2024, going forward.
4. On January 30, 2024, Petitioner requested a hearing disputing the closure of MA.
5. Petitioners own an LLC, ██████████.

6. In their redetermination paperwork, Petitioners self-reported [REDACTED] in income from their LLC for the month of November 2023.
7. Petitioner has employment income of \$[REDACTED] per year.

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.

All Programs

Bridges counts the income a client receives from an S-Corp or LLC as wages, even if the client is the owner. BEM 501, p.5

Targeted Population

The Healthy Michigan Plan (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.
- Have income at or below 133 percent Federal Poverty Level (FPL). BEM 137

In this case, Petitioners self-reported [REDACTED] per month income from their LLC for November 2023. Income from an LLC is countable income. BEM 501 The Department projected Petitioners' monthly income for an annual income of \$[REDACTED]. The annual income limit for a group size of two for the Healthy Michigan Plan is \$26,227, therefore Petitioners were over the income limit for HMP and the closure due to excess income was proper and correct and consistent with Department policy. BEM 137 Petitioners stated that their income was reduced in December 2023 and the subsequent months due to the seasonality of their business. Petitioners were advised to reapply and if it was confirmed that their income was below the income limit, and they meet the other eligibility criteria then they will be approved for MA.

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 closed Petitioners' MA-HMP case due to excess income.

DECISION AND ORDER

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

AM/cc



Aaron McClintic
Administrative Law Judge

