



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: May 17, 2024
MOAHR Docket No.: 24-002140
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 April 17, 2024, from Lansing, Michigan. [REDACTED] [REDACTED] the Petitioner, appeared on her own behalf. The Department of Health and Human Services (Department) was represented by Dina Ani, Supervisor, and Chynice Pettaway, Eligibility Specialist (ES).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-24.

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 November [REDACTED] 2023, a Redetermination form was issued to Petitioner with a due date of December 4, 2023. (Exhibit A, p. 2)
2. On December [REDACTED] and [REDACTED] 2023 and January [REDACTED] [REDACTED] and [REDACTED] 2024, the Department called as well as sent emails and text messages to Petitioner due to not returning the Redetermination. (Exhibit A, p. 23)
3. On January [REDACTED] 2024, Petitioner applied for MA. (Exhibit A, p. 2)

4. On January ■ 2024, a Health Care Coverage Determination Notice was issued to Petitioner stating her MA case would close effective February 1, 2024 based on not submitting the Redetermination. (Exhibit A, pp. 6-9)
5. On January ■ 2024, a Verification Checklist was issued to Petitioner requesting verification of checking account with a due date of February 8, 2024. (Exhibit A, pp. 10-11)
6. On January ■ 2024, the Department verified Petitioner's income from employment with a report from The Work Number. (Exhibit A, pp. 12-16)
7. On February ■ 2024, Petitioner submitted a bank statement. (Exhibit A, pp. 17-18)
8. On February ■ 2024, a Health Care Coverage Determination Notice was issued to Petitioner denying MA based on income in excess of program limits. (Exhibit A, pp. 19-22)
9. On February 27, 2024, Petitioner filed a hearing request contesting the Department's determination, (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.

The Department must periodically redetermine or renew an individual's eligibility for active programs. The redetermination/renewal process includes thorough review of all eligibility factors. BAM 210, January 1, 2024, p. 1. MA Benefits stop at the end of the benefit period unless a renewal is completed, and a new benefit period is certified. BAM 210, p. 4.

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, January 1, 2024, p. 1.

Petitioner was only potentially eligible for full coverage MA under the Healthy Michigan Plan (MA-HMP) category. Petitioner was not under age 19, aged, blind, disabled, pregnant, or a parent or caretaker relative a dependent child. (ES and Petitioner Testimony)

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.

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. When determining eligibility for a future month, assume circumstances as of the processing date will continue unchanged unless you have information that indicates otherwise. BEM 105, January 1, 2024, p. 2. This is consistent with 42 CFR § 435.603(h), which states that financial eligibility for Medicaid for applicants must be based on current monthly household income and family size.

The 2023 FPL for the 48 contiguous states and the District of Columbia for a group size of one is an annual income of \$14,580.00. Accordingly, 133% of FPL is \$19,391.40 for a group size of one. Divided by 12, this would equate to \$1,615.95 per month.

In this case, it appears that while Petitioner did not return the Redetermination form by the due date, Petitioner reapplied for MA within the Redetermination month. Accordingly, the Department's determination to deny MA for Petitioner was ultimately based on income exceeding the limit for MA-HMP.

On January [REDACTED] 2024, the Department verified Petitioner's income from employment with a report from The Work Number. (Exhibit A, pp. 12-16). The Department determined that Petitioner had a monthly income of \$[REDACTED] as of February 1, 2024. (Exhibit A, p. 16). This exceeds the monthly equivalent of the income limit for MA-HMP.

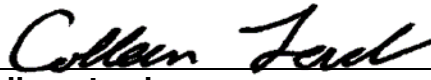
Petitioner's testimony indicated she had been in the hospital about a week at the time of the hearing. It is too late for her to get insurance through her employer. The treatments and medications Petitioner needs are very expensive, but she needs them in order to work. (Petitioner Testimony). As discussed, if there is a significant change with Petitioner's income Petitioner may wish to reapply 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 determined Petitioner's eligibility for MA based on the information available at that time.

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

SchaeferM

EQADHearings

BSC3HearingDecisions

MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]