

4. On April ■ 2024, a Health Care Coverage Determination Notice was issued to Petitioner stating MA-HMP was denied effective June 1, 2024 due to income in excess of program limits. (Exhibit A, pp. 18-21)
5. On May 10, 2024, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 4-6)
6. The Department reviewed the case and found an error with Petitioner's income. The error was corrected, and eligibility was redetermined. (Exhibit A, p. 2)
7. On May ■ 2024, a Health Care Coverage Determination Notice was issued to Petitioner stating MA-HMP was denied effective July 1, 2024 due to income in excess of program limits. (Exhibit A, pp. 22-25)

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.

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. For example, based on the information reported on the Redetermination, Petitioner was not under age 19, aged, blind, disabled, pregnant, or a parent or caretaker relative a dependent child. (Exhibit A, pp. 7-13)

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 \$15,060. Accordingly, 133% of FPL is \$20,029.80 for a group size of one. Divided by 12, this would equate to \$1,669.15 per month.

The Department counts the gross wage amount as earned income. BEM 501, January 1, 2024, p. 7.

In this case, the Department utilized the income information provided for the Redetermination to determine eligibility for MA. While an error was made regarding income, the Department corrected the error and redetermined Petitioner's eligibility. On the Redetermination, Petitioner reported weekly income of \$ [REDACTED] from [REDACTED] and \$ [REDACTED] every two weeks from [REDACTED]. The paycheck verifications from [REDACTED] showed gross earnings of \$ [REDACTED] on March 7, 2024, \$ [REDACTED] on February 22, 2024, and \$ [REDACTED] on February 8, 2024. (Exhibit A, pp. 2 and 7-17). The income from the employment with [REDACTED] exceeds the limit for MA-HMP, which equates to \$ [REDACTED] per month.

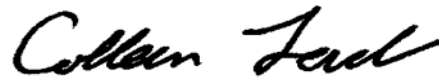
Petitioner explained that she worked a lot of overtime last year, so her annual income was around \$ [REDACTED]. Petitioner indicated that her current income will probably exceed the annual limit of \$20,029.80 for MA-HMP. (Petitioner Testimony). Accordingly, it is not

contested that the Department properly determined that Petitioner's income exceeded the applicable income limit for MA-HMP.

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 available information.

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

