



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: August 29, 2024  
MOAHR Docket No.: 24-006542  
Agency No.: [REDACTED]  
Petitioner: [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 July 31, 2024, from Lansing, Michigan. [REDACTED] [REDACTED] the Petitioner appeared on her own behalf. The Department of Health and Human Services (Department) was represented by Dana Bongers, Assistance Payments Supervisor (APS).

During the hearing proceeding, the Department's Hearing summary packet was admitted as Exhibit A, pp. 1-22.

### **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 under the Healthy Michigan Plan category (MA-HMP). (APS Testimony)
2. On April [REDACTED] 2024, Petitioner submitted a redetermination packet for her MA case. Petitioner also provided check stubs. (Exhibit A, pp. 7-15)
3. On May [REDACTED] 2024, a Health Care Coverage Determination Notice was issued to Petitioner stating MA was denied because Petitioner exceeds the income limit for

MA-HMP and did not meet criteria for other full coverage categories, such as not being under age 19 or 21, pregnant, blind, disabled, aged, or a caretaker of a minor child in the home. (Exhibit A, pp. 16-19)

4. On May 28, 2024, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 3-5)

### **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.

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 based on the information provided on the Redetermination. For example, based on the information reported on the Redetermination, Petitioner was not

under age 19 or 21, 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. On the Redetermination, Petitioner reported income of \$ [REDACTED] every two weeks from [REDACTED] [REDACTED] was still correct. (Exhibit A, p. 9). The paycheck verifications showed total gross earnings of \$ [REDACTED] on March 22, 2024, and \$ [REDACTED] on April 5, 2024. (Exhibit A, pp. 14-15). The income from the employment exceeds the limit for MA-HMP, which equates to \$ [REDACTED] per month.

The APS noted that during the prehearing conference Petitioner indicated she has medical conditions and feels she should still be eligible for MA. The Department reinstated Petitioner's MA-HMP on May 30, 2024 pending a disability determination. (APS Testimony).

Petitioner did not dispute that her income exceeds the limit for MA-HMP. Petitioner stated she only brings home \$ [REDACTED] per month. Petitioner wanted to make sure nothing further was needed for the disability determination. Petitioner explained that she has medical coverage through her employer, but cannot cover her portion, which includes deductibles, copayments, and prescription costs. (Petitioner Testimony). In the hearing request, Petitioner stated she makes \$ [REDACTED] per month. (Exhibit A, p. 3). 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

  
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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**  
Renee Olian  
Kalamazoo County DHHS  
**MDHHS-Kalamazoo-  
Hearings@michigan.gov**

**SchaeferM**

**EQADHearings**

**BSC3HearingDecisions**

**MOAHR**

**Via-First Class Mail :**

**Petitioner**

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