



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: September 10, 2024
MOAHR Docket No.: 24-006658
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 August 8, 2024, from Lansing, Michigan. [REDACTED] [REDACTED] the Petitioner, appeared on his own behalf. The Department of Health and Human Services (Department) was represented by April Sprague, Hearing Facilitator. Caleb Nygren was present as an observer.

During the hearing proceeding, the Department's Hearing Summary was admitted as Exhibit A, pp. 1-64, and Petitioner's additional documentation was admitted as Exhibit 1, pp. 1-13; Exhibit 2, pp. 1-13, and Exhibit 3, pp. 1-2.

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). (Exhibit A, p. 3)
2. On May [REDACTED] 2024, Petitioner submitted a redetermination packet for his MA case. Petitioner reported having a disability but also reported working 80 hours and being paid \$[REDACTED] every two weeks. Petitioner provided verifications, including a

payslip showing gross earnings of \$ [REDACTED] for 65.616667 hours worked. (Exhibit A, pp. 16-30)

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. 31-34)
4. On June 3, 2024, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 5-14)

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, pregnant, or a parent or caretaker relative a dependent child. Petitioner did report that he was disabled. (Exhibit A, pp. 16-30). However, a State Online Query (SOLQ) report showed Petitioner was previously found not disabled by the Social Security Administration and he had not reapplied. (Exhibit A, p. 3). Further, Petitioner reported working full time. (Exhibit A, pp. 16-30).

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 2024 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 employment with [REDACTED] [REDACTED] (Exhibit A, p. 18). Petitioner also provided verifications, including a payslip showing gross earnings of \$[REDACTED] for 65.616667 hours worked. (Exhibit A, pp. 24-25). Petitioner's income from employment exceeds the limit for MA-HMP, which equates to \$[REDACTED] per month.

Petitioner did not dispute that his income exceeds the limit for MA-HMP. Petitioner explained that the MA coverage has allowed him to obtain medical treatment, which has allowed him to maintain his sobriety and have a job. Petitioner asserted that the medical insurance offered by his employer is too expensive and does not have the sufficient coverage. Petitioner wants to be a productive member of society, but he has limitations,

such as needing to work from home. Petitioner stated everything is at risk if he does not continue to have MA. (Petitioner Testimony). However, this Administrative Law Judge must review the Department's determination under the existing polices and has no authority to change or make any exceptions to the applicable policies.

Based on the income information Petitioner provided for the Redetermination, 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

Via-Electronic Mail :

DHHS
Janice Collins
Genesee County DHHS Union St
District Office
**MDHHS-Genesee-UnionSt-
Hearings@michigan.gov**

SchaeferM

EQADHearings

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MOAHR

Via-First Class Mail :

Petitioner
[REDACTED]
[REDACTED]
[REDACTED]