



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] MI [REDACTED]

Date Mailed: October 8, 2024  
MOAHR Docket No.: 24-008516  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: L. Alisyn Crawford**

**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 September 9, 2024. Petitioner and Petitioner's husband, [REDACTED] was present at the hearing and Petitioner represented herself. The Department of Health and Human Services (Department) was represented by Jade Stovall, Assistance Payments Worker.

**ISSUE**

Did the Department properly determine Medical Assistance (MA) eligibility for Petitioner and her husband (Husband)?

**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's household includes herself, Husband, and three minor children (Minor Children) had been receiving MA benefits under full-coverage Modified Adjusted Gross Income (MAGI-related) MA categories.
2. Petitioner is employed, and Husband is employed and a college student.
3. On July 7, 2024, the Department received an assistance application from Petitioner for MA coverage. (Exhibit A, pp. 9-16).
4. Petitioner and Husband were approved for Group 2 Caretaker (G2C) MA coverage with monthly deductible of \$2,619 for a certification period of June 1, 2024. (Exhibit A, p. 76).

5. On July 25, 2024, the Department received a request for hearing from Petitioner disputing the Department's actions with respect to her and Husband's MA case.

### **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.

Upon reviewing Petitioner's eligibility criteria, the Department concluded that Petitioner and Husband were no longer eligible for full-coverage MA due to excess income but were instead eligible for MA subject to a \$2,619 monthly deductible. Petitioner disputes the loss of their full-coverage MA, stating that the Department did not accurately calculate the household income amount since they were previously approved with the same income. At the hearing, Petitioner clarified that she was seeking a hearing only regarding her and Husband's MA coverage, not their minor children.

MA is available (i) under SSI-related categories to individuals who are aged (65 or older), blind or disabled, (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women, (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage, and (iv) to individuals who meet the eligibility criteria for Plan First Family Planning (PFFP) coverage. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105 (January 2024), p. 1; BEM 137 (January 2024), p. 1; BEM 124 (July 2023), p. 1. Under federal law, an individual eligible under more than one MA category must have eligibility determined for the category selected and is entitled to the most beneficial coverage available, which is the one that results in eligibility and the least amount of excess income or the lowest cost share. BEM 105 (January 2021), p. 2; 42 CFR 435.404.

Full-coverage MA under HMP is based on Modified Adjusted Gross Income (MAGI) methodology and provides health care coverage for individuals who have income at or below 133 percent of the Federal Poverty Level (FPL). BAM 137, p. 1. The Department determined that Petitioner and Husband no longer qualified for HMP since their countable income exceeded the income limit based on their group size.

Here, Petitioner files taxes jointly with Husband and claims three tax dependents. Therefore, for HMP purposes, Petitioner has a household size of five. (Exhibit A, p. 12); BEM 211 (October 2023), pp. 1-2. 133% of the annual FPL in 2024 (the most current applicable FPL) for a household with five members is \$48,651.40. See <https://aspe.hhs.gov/poverty-guidelines>. Therefore, to be income eligible for HMP, Petitioner's household income cannot exceed \$48,651.40 annually.

The Department testified that it determined Petitioner's household income based on paystubs provided by Petitioner and Work Number data for Petitioner and Husband. At the hearing, the Department testified that based on this information, it determined Petitioner's annual income from three jobs to be [REDACTED] and Husband's annual income as [REDACTED]. No evidence, including the submitted paystubs and Work Number data, supported a finding that Petitioner's household has collective annual income of [REDACTED]. Therefore, the Department did not satisfy its burden of showing that it acted in accordance with Department policy when it concluded that Petitioner and Husband were ineligible for HMP due to excess income.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined that Petitioner and Husband were ineligible for MA coverage under the HMP program due to excess income.

### **DECISION AND ORDER**

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reprocess Petitioner's July 7, 2024 MA assistance application, taking into account the verification of employment income that Petitioner previously provided;
2. Seek additional verification from Petitioner and Husband if required by policy or previously submitted verification is unclear or incomplete;
3. If Petitioner and Husband are eligible for MA benefits, provide them MA coverage they were eligible to receive but did not from July 1, 2024 ongoing; and
4. Notify Petitioner of its decision in writing.

LC/ml

  
**L. Alisyn Crawford**  
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**

Denise Key-McCoggle  
Wayne-Greydale-DHHS  
27260 Plymouth Rd  
Redford, MI 48239

**MDHHS-Wayne-15-Greydale-Hearings@michigan.gov**

**Interested Parties**

BSC4  
M Schaefer  
EQAD  
MOAHR

**Via First Class Mail:**

**Petitioner**

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**Authorized Hearing Rep.**

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