



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: October 3, 2024
MOAHR Docket No.: 24-008757
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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 hearing was held by telephone on September 5, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Dequindre Williams, Assistance Payments Supervisor.

ISSUE

Did the Department properly deny Petitioner's and Petitioner's children's Medicaid (MA) coverage?

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 and her two children (Children) were ongoing recipients of MA. Petitioner is [REDACTED] years old and Children are both under the age of 18. (Exhibit A, p. 12).
2. On June 3, 2024, the Department received a completed MA redetermination application from Petitioner. On the redetermination application, Petitioner disclosed income of \$ [REDACTED] per year plus unemployment and child support, and a bank account. (Exhibit A, pp. 11 – 16).
3. On June 14, 2024, the Department sent Petitioner a Verification Checklist (VCL) that requested proof of self-employment income and checking and savings

account statements by June 24, 2024. Petitioner did not provide the requested verifications. (Exhibit A, pp. 17 – 18).

4. On July 10, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that denied Petitioner and Children MA effective August 1, 2024 due to excess income. (Exhibit A, pp. 19 – 24).
5. On July 29, 2024, the Department received a request for hearing from Petitioner in which Petitioner disputed the Department's denial of Petitioner's and Children's MA and determination of Petitioner's income. (Exhibit A, pp. 3 – 4).

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.

Petitioner requested a hearing to dispute the Department's determination that Petitioner had annual countable income of \$[REDACTED] and denial of MA for herself and Children. The HCCDN notified Petitioner that she and Children were denied MA based on Petitioner's income being in excess of program limits.

The MA program provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. BEM 100 (April 2023), p. 2. This includes, based on the client's circumstances and potential MA program eligibility, meeting income and asset limits. BEM 105 (January 2024), p. 1; BEM 211 (October 2023), p. 1; BEM 400 (June 2024), p. 1. When verification of a client's information is required to determine eligibility, the Department must tell the client what verification is required, how to obtain it, and the due date. BAM 130 (May 2024), p. 3. Clients have primary responsibility for providing requested verifications and must take actions within their ability to obtain verifications to the Department within 10 days. BAM 130 (May 2024), p. 3; BAM 105, pp. 7 – 8, 12; see also BEM 502 (June 2024), p. 7.

Here, when Petitioner completed her MA redetermination application in June 2024, she reported self-employment income of \$[REDACTED] per year in addition to unemployment compensation and child support income that was pre-printed on the application.

(Exhibit A, p. 13). Petitioner also reported that she had a bank account. (Exhibit A, p. 12). The Department sent Petitioner a VCL on June 14, 2024 and requested verification of Petitioner's self-employment income and checking and savings account statements by June 24, 2024. (Exhibit a, pp. 17 – 18). As of July 10, 2024, Petitioner had not provided the requested verifications, and the Department denied Petitioner and Children MA due to excess income. (Exhibit A, pp. 1, 19 – 24).

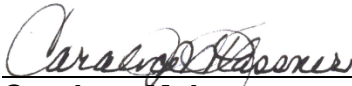
The programs that Petitioner and children are potentially eligible for include Modified Adjusted Gross Income (MAGI)-related MA categories that have income, but not asset, limits. BEM 130 (July 2021), p. 1; BEM 131 (January 2022), p. 1; BEM 132 (April 2018), p. 1; BEM 137 (January 2024), p. 1. The highest income limit for any MAGI-related MA programs Petitioner or Children may be potentially eligible for is 212% of the federal poverty level (FPL), which is MICHild. BEM 211 (October 2023), p. 1. Because Petitioner and Children are a household of three, 212% of the FPL for their group is \$52,703.20¹. Because Petitioner reported her income to be \$97,000 on her redetermination application and did not provide any verification of income to the Department, the Department used her self-attested income and properly determined neither she nor Children are eligible for MAGI-related MA due to excess income. BAM 130, p. 4. Petitioner and Children may be eligible for Group 2 MA subject to a deductible. BEM 132 (April 2018), p. 2; BEM 135 (October 2015), p. 3. However, to determine Petitioner and Children's eligibility for Group 2 MA, the Department must verify the fiscal group's countable assets, including bank accounts. BEM 132, p. 2; BEM 135, p. 2; see also BEM 400 (June 2024), p. 1. Therefore, although the HCCDN stated that Petitioner and Children were denied MA due to excess income, the evidence established that also Petitioner failed to return the requested verifications. Based on the foregoing, the Department properly closed Petitioner and Children's MA cases.

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 closed Petitioner and Children's MA cases.

DECISION AND ORDER

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

CML/nr



Caralyce M. Lassner
Administrative Law Judge

¹ <https://www.federalregister.gov/documents/2024/01/17/2024-00796/annual-update-of-the-hhs-poverty-guidelines>. Last accessed October 1, 2024.

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
Tracey Jones
Oakland County Southfield District III
25620 W. 8 Mile Rd
Southfield, MI 48033
MDHHS-Oakland-6303-Hearings@michigan.gov

Interested Parties

BSC4
M. Schaefer
EQAD
MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]