



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

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DIRECTOR

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[REDACTED], MI [REDACTED]

Date Mailed: November 26, 2024
MOAHR Docket No.: 24-011831
Agency No.: [REDACTED]
Petitioner: [REDACTED] [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 via Microsoft Teams on November 21, 2024. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Sunshine Simonson, specialist. Rehab Mansy of Linguistica International participated as an Arabic-English translator.

ISSUE

The issue is whether MDHHS properly denied Petitioner's application requesting Medicaid and Medicare Savings Program (MSP) benefits.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of June 2024, Petitioner was disabled, over 21 years-old, a Medicare recipient, not a caretaker to a minor child, unmarried, and not pregnant.
2. As of June 2024, Petitioner had a savings and checking account with a combined balance of no less than \$97,000 stemming from an auto insurance payment.
3. On May 17, 2024, MDHHS terminated Petitioner's Medicaid and MSP eligibility beginning June 2024.

4. On July 31, 2024, MDHHS terminated Petitioner's MSP eligibility beginning July 2024.
5. On October 16, 2024, Petitioner requested a hearing to dispute the determination of Medical Assistance (MA) benefits. Petitioner also requested a hearing to dispute Food Assistance Program (FAP) eligibility.
6. On October 21, 2024, MDHHS sent Petitioner notice of an approval of MA benefits beginning July 2024 under the limited-coverage category of Plan First.
7. On November 21, 2024, during an administrative hearing, Petitioner withdrew the dispute over FAP benefits.

CONCLUSIONS OF LAW

The FAP (formerly known as the Food Stamp program) is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. MDHHS administers the FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. FAP policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing, in part, to dispute FAP eligibility. Exhibit A, pp. 3-5. During the hearing, Petitioner testified that his dispute concerning FAP benefits is resolved and that he no longer needs a hearing for FAP benefits. MDHHS had no objections to Petitioner's partial hearing request withdrawal. Concerning FAP benefits, Petitioner's hearing request will be dismissed.

The 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. MDHHS administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MA policies are contained in the BAM, BEM, and RFT.

Petitioner also requested a hearing to dispute a determination of MA benefits. Exhibit A, pp. 3-5. MDHHS sent Petitioner a Health Care Coverage Determination Notice on May 17, 2024.¹ Exhibit A, p. 8. MDHHS testified the notice stated that Petitioner was ineligible for Medicaid benefits beginning May 2024 due to excess assets.² A Benefit

¹ Only the first page of the notice was presented as an exhibit.

² Though the notice was admitted as an exhibit, it was written in Arabic. Thus, its content is not apparent to an English-only reader.

Notice dated October 21, 2024 also stated that Petitioner was ineligible for Medicaid subject to a deductible due to excess assets.³ Exhibit A, pp. 23-26.

Medicaid is also known as MA. BEM 105 (October 2023) p. 1. The MA program includes several sub-programs or categories. *Id.* To receive MA under a Supplemental Security Income (SSI)-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MICHild and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology.⁴ *Id.*

As of the disputed benefit month, the evidence suggested that Petitioner was disabled, over 21 years old, a Medicare recipient, not a caretaker to minor children, unmarried, and not pregnant. Petitioner's circumstances render him ineligible for all unlimited-coverage MAGI Medicaid categories. As a disabled individual, Petitioner is potentially eligible for MA only under SSI-related categories. Thus, cash assets are relevant.

Assets must be considered in determining SSI-Related MA eligibility. BEM 400 (April 2024) p. 1 and 6. SSI-Related Medicaid eligibility considers assets. *Id.*, p. 3. Countable assets include cash. *Id.*, p. 2. There is no asset test for MAGI-related categories. *Id.*, p. 3.

MDHHS is to not count funds treated as income by a program as an asset for the same month for the same program. *Id.*, p. 23. Asset eligibility exists when the asset group's countable assets do not exceed the applicable asset limit at least one day during the month being tested. *Id.*, p. 7. For a 1-person SSI-related MA groups, the asset limit is \$2,000. *Id.*, p. 9.

As of the application month, Petitioner was unmarried. As an unmarried individual, Petitioner's SSI-related MA group is one person. BEM 211 (July 2019) p. 8. Thus, the MA asset limit for Petitioner is \$2,000.

Petitioner submitted bank statement to MDHHS listing a savings account balance of at least \$70,000 and a checking account balance of at least \$27,000. Petitioner's testimony did not deny having at least \$97,000 in liquid assets as of June 2024. Petitioner testified he received a large payment for injuries sustained from an auto accident.

³ Petitioner was deemed eligible for the limited-coverage MA category of Plan-First. Plan First is a MAGI-related limited-coverage MA category available to any United States citizen or individual with a qualified immigration status. BEM 124 (July 2023) p. 1. Plan First coverage is a "limited-coverage" because it only covers family planning services such as birth control (see form DCH-2840-MSA).

⁴ Eligibility factors for all MA categories are found in the Bridges Eligibility Manual from BEM 105 through BEM 174.

Petitioner testified he assisted the United States military in Iraq. Petitioner also testified that he lost his wife while doing so. Though Petitioner's testimony was sincere, it is ultimately irrelevant to determining asset eligibility for Medicaid.

The evidence established that Petitioner's assets substantially exceeded the SSI-related income limit. There is no known basis to disregard any portion of the assets. Thus, Petitioner's countable assets exceed \$97,000. Because Petitioner's countable assets exceed the SSI-related asset limit, MDHHS properly terminated Petitioner's MA eligibility beginning June 2024.

Petitioner lastly requested a hearing to dispute MSP eligibility. Exhibit A, pp. 3-5. MDHHS sent Petitioner a Health Care Coverage Determination Notice on May 17, 2024.⁵ Exhibit A, p. 8. MDHHS testified the notice stated that Petitioner was ineligible for MSP benefits beginning June 2024 due to excess assets.⁶ MDHHS also sent Petitioner a Health Care Coverage Determination Notice dated July 31, 2024, stating that Petitioner's MSP eligibility would end beginning July 2024.⁷ Exhibit A, pp. 27-30.

MSP is an SSI-related Medicaid category. BEM 165 (January 2018) p. 1. One of three different subprograms are available under MSP. Qualified Medicare Beneficiaries (QMB) coverage pays for a client's Medicare premiums, coinsurances, and deductibles. BEM 165 (January 2018), p. 2. Specified Low Income Beneficiaries (SLMB) coverage pays for a client's Medicare Part B premium. *Id.* Additional Low-Income Beneficiaries (ALMB) coverage pays for a client's Medicare Part B premium if MDHHS funding is available. *Id.* The client's income determines the MSP subprogram issued (see RFT 242).⁸

For SSI-related MA, MDHHS is to consider assets at application, redetermination, and when a change is reported. BEM 400 (April 2024) p. 61. The asset limit for a MSP benefit group of 1 person is \$9,430. *Id.*

Petitioner's group of one person and countable assets of at least \$97,000 are unchanged for MSP. Concerning MSP, Petitioner's assets again substantially exceed the asset limit. Thus, MDHHS properly terminated MSP benefits to Petitioner beginning June 2024.

⁵ Only the first page of the notice was presented as an exhibit.

⁶ Though the notice was admitted as an exhibit, it was written in Arabic. Thus, its content is not apparent to an English-only reader.

⁷ This notice stated Petitioner was ineligible for MSP due to not meeting basic criteria for the program. There was no evidence that Petitioner was ineligible for MSP due to not meeting the basic criteria.

⁸ Since April 2024, MDHHS added a fourth category, Non-Categorically Eligible Michigan Beneficiaries (NMB). BEM 165 (July 2024) p. 1.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that Petitioner withdrew the hearing request to dispute FAP benefits. Concerning FAP benefits, Petitioner's hearing request dated October 16, 2024, is **DISMISSED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly terminated Petitioner's Medicaid and MSP eligibility beginning June 2024. The actions taken by MDHHS are **AFFIRMED**.

CG/nr



Christian Gardocki
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

Tara Roland 82-17
Wayne-Greenfield/Joy-DHHS
8655 Greenfield
Detroit, MI 48228

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Interested Parties

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Petitioner

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