GRETCHEN WHITMER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

MARLON I. BROWN, DPA DIRECTOR



Date Mailed: January 27, 2025 MOAHR Docket No.: 24-013035

Agency No.:

Petitioner:

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 January 16, 2025. Petitioner appeared and was unrepresented. The Department of Health and Human Services (Department) was represented by Yvette Rutledge, Assistance Payment Worker.

ISSUE

Did the Department properly determine Petitioner's Medicaid (MA) eligibility?

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 is years old and a tax filer who claims no dependents.
- 2. On October 14, 2024, Petitioner applied for MA. (Exhibit A, pp. 9-16)
- 3. In her application, Petitioner identified employment with (Employer). (Exhibit A, p. 13)
- 4. On October 14, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice notifying her that she was approved for full-coverage MA under the Healthy Michigan Plan (HMP) for November 1, 2024 ongoing. (Exhibit A, pp. 17-18)
- 5. On October 23, 2024, the Department sent Petitioner a Health Care Coverage Supplemental Questionnaire requesting that Petitioner return the completed document back to the Department by November 4, 2024. (Exhibit A, pp. 19-22)

- 6. On November 4, 2024, Petitioner returned the completed Questionnaire to the Department, identifying her employment with Employer as her sole income source. (Exhibit A, p. 29).
- 7. Because the Department's database identified income for Petitioner for her employment at Meijer (Employer 2), the Department determined that Petitioner, based on combined income from Employer and Employer 2, was not income eligible for HMP coverage for November 1, 2024 ongoing.
- 8. On November 19, 2024, the Department received Petitioner's hearing request disputing the loss of HMP coverage and arguing that she had notified the Department that she was no longer employed at Employer 2. (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.

Petitioner requested a hearing to dispute the closure of her HMP case as of October 31, 2024.

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, and (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage. Individuals may also qualify for limited MA coverage under the Plan First Family Planning (PFFP) program. 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, p. 2; 42 CFR 435.404.

Because Petitioner was not age 65 or older, blind or disabled, under age 19, the parent or caretaker of a minor child, or pregnant or recently pregnant, Petitioner was potentially eligible for MA coverage under HMP only. HMP is a Modified Adjusted Gross Income

(MAGI)-related MA category that provides MA coverage to individuals who (i) are 19 to 64 years of age; (ii) have income under the MAGI methodology at or below 133% of the federal poverty level (FPL); (iii) do not qualify for or are not enrolled in Medicare; (iv) do not qualify for or are not enrolled in other MA programs; (v) are not pregnant at the time of application; and (vi) are residents of the State of Michigan. BEM 137, p. 1; 42 CFR 435.603.

Because Petitioner is a tax filer with no dependents, for HMP purposes she is a single-person group. The income limit for HMP eligibility for single-person groups was \$1,669.15 monthly in 2024 and is \$1,734.54 monthly in 2025. BEM 211 (October 2023), pp. 1-2; https://aspe.hhs.gov/poverty-guidelines. In determining HMP income eligibility, the Department considers *current* monthly income. Michigan Medicaid State Plan Amendment Transmittal 17-0100, effective November 1, 2017 and approved by the Center for Medicare and Medicaid Services on March 13, 2018 available at https://www.michigan.gov/mdhhs/-

/media/Project/Websites/mdhhs/Folder3/Folder80/Folder2/Folder180/Folder1/Folder280/SPA_17-0100_Approved.pdf.

In this case, the Department initially concluded that Petitioner was not eligible for HMP after budgeting income from both Employer and Employer 2 in determining her monthly income. However, Petitioner identified employment income from only Employer in both her October 14, 2024 application and the Health Care Coverage Determination Notice she returned to the Department on November 4, 2024. Despite this information, the Department budgeted Employer 2 income without requesting verification from Petitioner regarding her loss of employment. See BAM 130 (May 2024), p. 1 (requiring the Department to request verification from the client when information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory). When the Department subsequently confirmed through the Work Number that Petitioner was no longer employed with Employer 2 and budgeted her income from only Employer, it concluded that she was income eligible for HMP.

At the hearing, the Department testified that after it reassessed Petitioner's eligibility when it received additional paystubs in January 2025, it determined that Petitioner was eligible for HMP, and reinstated her MA coverage under HMP for November 1, 2024 ongoing. The Department provided an eligibility summary and a Health Care Coverage Determination Notice dated January 16, 2025 and addressed to Petitioner that supported its testimony. Exhibit B. Therefore, Petitioner's HMP case was reinstated with no loss in coverage.

Because the Department resolved the issue presented by Petitioner in her hearing request prior to hearing and presented documentation to support its testimony that the issue was resolved, 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 reinstated Petitioner's HMP coverage for November 1, 2024 ongoing.

DECISION AND ORDER

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

ACE/tlf

Alice C. Elkin

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

Jeanenne Broadnax Wayne-Taylor-DHHS 25637 Ecorse Rd. Taylor, MI 48180

MDHHS-Wayne-18-Hearings@michigan.gov

Interested Parties

BSC4 Hearing Decisions

EQAD

M. Schaefer

<u>Via-First Class Mail:</u> Petitioner

MI