



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: January 3, 2025
MOAHR Docket No.: 24-013226
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 December 26, 2024, from Lansing, Michigan. The Petitioner was represented by his Mother, [REDACTED] Petitioner also appeared along with his Father, [REDACTED]. The Department of Health and Human Services (Department) was represented by Jennifer Richard. Department Exhibit 1, pp. 1-69 was received and admitted.

ISSUE

Did the Department properly determine Petitioner's Medical Assistance (MA) eligibility and Food Assistance Program (FAP) benefit amount?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On November 6, 2024, a quality control review was done on Petitioner's case and it was discovered that there was social security income that was not budgeted.
2. On November 18, 2024, a Health Care Coverage Determination Notice was sent to Petitioner informing him that he was eligible for Medicare Cost Share SLMB and Medicaid with a \$1,020 deductible.
3. On November 18, 2024, a Notice of Case Action was sent to Petitioner informing him that his FAP benefit was being reduced to \$23 per month effective January 1, 2025.

4. On November 25, 2024, Petitioner requested hearing disputing the change in his MA coverage and the reduction of his FAP benefits.
5. Petitioner received ■1,431 in social security benefits per month.

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 Food Assistance Program (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. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

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.

RULES FOR MA GROUP 2 INCOME ELIGIBILITY (MA-G2S)

Use the following rules to determine MA Group 2 income eligibility. The individual must be given the most advantageous use of their old bills (also known as incurred expenses). The individual may request coverage for the current month, up to six future months (see eligibility based on old bills in this item), and for any prior months.

1. Use the budgeting rules in BEM 530. Determine income eligibility in calendar month order, starting with the oldest calendar month.
2. Use BEM 546 to determine the post-eligibility patient-pay amount (PPA) for each L/H month that a beneficiary is Group 2 eligible.
3. Determine Medicare Savings Program eligibility separately for Group 2 beneficiaries entitled to Medicare Part A (see BEM 165).
4. Request information about all medical expenses incurred during and prior to each month with excess income.

5. Notify the group of the outcome of each determination. NOTIFICATION explains which forms to use and when.

BEM 545

Disabled Adult Children (DAC) MA Only

This is an SSI-related Group 1 MA category.

MA is available to a person receiving disabled adult children's (DAC) (also called Childhood Disability Beneficiaries' or CDBs') RSDI benefits under section 202(d) of the Social Security Act if he or she:

1. Is age 18 or older; and
2. Received SSI; and
3. Ceased to be eligible for SSI on or after July 1, 1987, because he became entitled to DAC RSDI benefits under section 202(d) of the Act or an increase in such RSDI benefits; and
4. Is currently receiving DAC RSDI benefits under section 202(d) of the Act; and

Note: To receive DAC RSDI a person must have a disability or blindness that began before age 22.

5. Would be eligible for SSI without such RSDI benefits.

BEM 158 (October 2014)

In this case, with regard to the approval of MA-G2S and deductible amount calculation for the group size of 1. Petitioner's unearned income is [REDACTED] After subtracting the \$20 unearned income disregard and deducting the \$391 protected income level that leaves \$1,020 which is the deductible amount. This was the deductible amount determined by the Department and it was proper and correct and consistent with Department policy. BEM 545.

At hearing, Petitioner's mother argued that Petitioner should qualify for MA as a Disabled Adult Child. Petitioner's mother acknowledged at hearing that Petitioner never received SSI, because Petitioner never received SSI he is not eligible for DAC Medicaid. BEM 158.

In this case, with regard to the determination of Petitioner's FAP benefit amount, Petitioner has [REDACTED] in unearned income. Following the deduction of the \$204 standard deduction and the \$251 excess shelter deduction, Petitioner has [REDACTED] in net income. A household of 1 with [REDACTED] in net income is entitled to \$23 in monthly FAP benefit, this was

the amount determined by the Department and it was proper and correct and consistent with Department policy.

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 MA eligibility and FAP benefit amount.

DECISION AND ORDER

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

AM/ml



Aaron McClintic

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

Kimberly Kornoelje
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Interested Parties

BSC3
M Schaefer
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M Holden
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Authorized Hearing Rep.

[REDACTED]
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Petitioner

[REDACTED]
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