



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
DIRECTOR

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Date Mailed: January 31, 2025
MOAHR Docket No.: 24-014086
Agency No.: ██████████
Petitioner: ██████████ ██████████

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on January 23, 2025, from Lansing, Michigan. Petitioner was represented by herself and ██████████ ██████████. The Department was represented by Avery Smith.

ISSUE

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for Medical Assistance (MA)?

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 was an ongoing recipient of Medical Assistance (MA) on October 17, 2024, when the Department received her Redetermination form. Exhibit A, p 7.
2. Petitioner is a household of one and she is disabled. Exhibit A, p 8.
3. On November 26, 2024, the Department notified Petitioner that she was eligible for Medical Assistance (MA) with a \$1,406 monthly deductible effective December 1, 2024. Exhibit A, p 14.
4. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$1,325. Exhibit A, p 22.
5. The Department determined that Petitioner receives a total gross monthly income of \$██████████ Exhibit A, p 25.

6. On December 18, 2024, the Department received Petitioner's request for a hearing protesting her eligibility for Medical Assistance (MA) benefits. Exhibit A, pp 3-6.

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 through 42 USC 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 through 42 CFR 420.25. The Department administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.103 through MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.*

The Medicare Savings Programs are SSI-related MA categories. There are three categories of Medicare Savings Program (MSP) benefits including the Qualified Medicare Beneficiary (QMB), the Special Low Income Medicare Beneficiary (SLMB), and the Additional Low Income Medicare Beneficiary (ALMB). QMB pays Medicare premiums, and Medicare coinsurances, and Medicare deductibles. QMB coverage begins the calendar month after the processing month. SLMB pays Medicare Part B premiums. SLMB coverage is available for retro MA months and later months. ALMB pays Medicare Part B premiums provided funding is available. The Department of Community Health notifies the Department of Human Services if funding is available. ALMB coverage is available for retro MA months and later months. Department of Human Services Bridges Eligibility Manual (BEM) 165 (July 1, 2024), pp 1-4.

The income limit for full MA benefits without a monthly deductible under the AD-CARE category is equal to the federal poverty level, or \$1,255 per month in 2024 for a household of one. Department of Health and Human Services Bridges Eligibility Manual (BEM) 163 (July 1, 2017), p 1.

The income limit for assistance with Medicare Part B premiums is \$1,714.25 for a household of one. Department of Health and Human Services Reference Table Manual (RFT) 242 (April 1, 2024), p 1.

Petitioner was an ongoing recipient of MA benefits on October 17, 2024, when the Department received her completed Redetermination form. Petitioner is a household of one, she is disabled, and she received RSDI benefits in the gross monthly amount of \$1,325.

Petitioner reported two retirement accounts, and the Department apparently added an additional \$325 of unearned income to Petitioner's total gross monthly income in order to determine that she is entitled to MA benefits with a \$1,406 monthly deductible and that she is not eligible for assistance with her Medicare Part B premium.

The hearing record supports a finding that based on Petitioner's RSDI payments, she is not eligible for MA benefits under the AD-Care category.

The Department failed to offer sufficient evidence to establish that Petitioner receives additional unearned income that when combined with her RSDI payments that makes her ineligible for MSP benefits. The Department has the burden of going forward with evidence showing how it determined Petitioner's monthly income, and the evidence entered into the hearing record appears to be verification of Petitioner's cash assets instead of 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 Petitioner's eligibility for Medical Assistance (MA).

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:

Accordingly, the Department's decision is hereby **REVERSED**, and the Department is ORDERED to:

Initiate a determination of Petitioner's eligibility for Medical Assistance (MA) and the Medicare Savings Program (MSP) under the most beneficial category that she is eligible for effective December 1, 2024.

KS/nr



Kevin Scully
Administrative Law Judge
Michigan Office of Administrative Hearings
and Rules (MOAHR)

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 :

Authorized Hearing Rep.

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Petitioner

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