



Date Mailed: March 20, 2025

Docket No.: 25-007039

Case No.:

Petitioner:

«RECIP_FULL_NAME»

«RECIP_ADD0»

«RECIP_ADD1»

«RECIP_ADD2»

«RECIP_CITY», «RECIP_SPCODE»

«RECIP_POSTAL»

This is an important legal document. Please have someone translate the document.

هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

Este es un documento legal importante. Por favor, que alguien traduzca el documento.

这是一份重要的法律文件。请让别人翻译文件。

Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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; and Mich Admin Code, R 792.11002. After due notice, a hearing was held via telephone conference on March 13, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Jamila Goods, Eligibility Specialist.

ISSUE

Did the Department properly determine Petitioner's Medical Assistance (MA) Program Group 2-Aged, Blind, Disabled (G2S) deductible?

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's 2024 Retirement Survivors Disability Insurance (RSDI) benefit was [REDACTED] per month and it increased to [REDACTED] per month.
2. Petitioner's husband's 2024 RSDI benefit was [REDACTED] which increased to [REDACTED] per month.
3. Petitioner has a pension of [REDACTED] per month.

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4. Both Petitioner and her husband are eligible for Medicare Savings Program (MSP) benefits under the Additional Low Income Beneficiary (ALMB) category and are not responsible for their Medicare Part B premiums.
 5. An old medical expense of \$44 for nursing care has been budgeted since 2023. Petitioner and her husband no longer have this expense.
 6. On January 27, 2025, the Department issued a Health Care Coverage Determination Notice (HCCDN) to Petitioner informing her that her and her husband were eligible for Plan First (PF) MA effective January 2025 and MA with a deductible of \$1,667.00 (Group 2-Aged, Blind, Disabled (G2S)) per month effective February 2025, ongoing.
 7. On February 11, 2025, the Department received Petitioner's request for hearing disputing the determination of MA eligibility.

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.

In this case, Petitioner disputed the determination of MA eligibility for her and her husband. 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, (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage, and (iv) to individuals who meet the eligibility criteria for Plan First Medicaid (PF-MA) coverage. 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. HMP is a 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 and her husband are eligible for Medicare, and there was no evidence that they were the parents or caretakers of a minor child, they were potentially eligible for MA under an SSI-related category. In determining the SSI-related MA category Petitioner and her husband are eligible to receive, MDHHS must determine Petitioner's MA fiscal group size and net income. As married individuals, they have a fiscal group size for SSI-related MA purposes of two. BEM 211 (October 2023), pp. 5-8.

The AD-Care program, an SSI-related MA category, requires that net group income cannot exceed one hundred percent of the federal poverty level plus \$20 or by looking to the income limits seen in RFT 242, [REDACTED] for a group size of two effective April 1, 2024. BEM 163, pp. 1-2; RFT 242 (April 2024), p. 1.

Countable income is calculated by adding the amounts of income actually received or reasonably anticipated within the month. BEM 530 (April 2020), p. 2. RSDI and pensions are considered countable income. BEM 503 (April 2024), pp. 29-32. To determine countable RSDI for fiscal group members is the gross amount for the previous December when the month being tested is January, February, or March. BEM 503 (January 2025), pp. 30-31. Federal law requires the cost-of-living (COLA) increase received in January be disregarded for these three months. *Id.* For all other months countable RSDI is the gross amount for the month being tested. *Id.* In 2024, Petitioner had gross RSDI of [REDACTED] and her husband had [REDACTED]. Petitioner also had a pension of [REDACTED]. Their total income is [REDACTED]. Next, \$20.00 is subtracted for the general exclusion and their Net Income is [REDACTED]. BEM 541 (January 2024), p. 3. No evidence was presented of any expenses for child support, work-related expenses, nor guardianship or conservator expenses. BEM 541, pp. 1-7. Therefore, their Net Income is greater than the net income limit. They are not eligible for the full coverage AD-Care program.

Since Petitioner and her husband have excess income for eligibility under the AD-Care program, the full coverage SSI-related MA program, an evaluation of their eligibility for MA coverage under the Group 2-Aged, Blind, Disabled (G2S) follows. Group 2 provides MA coverage with a deductible. BEM 105, p. 1. The deductible is the amount that the client's net income (less any allowable deductions) exceeds the applicable Group 2 MA protected income level (PIL). PIL is a set allowance for non-medical need items such as shelter, food, and incidental expenses. BEM 544 (January 2020), p. 1. It is based on the client's MA fiscal group size and the county in which the client resides. *Id.* Petitioner and her husband reside in Wayne County and have a group size of two; therefore, they are in shelter area VI, and their PIL is \$500.00. RFT 200 (April 2017), p. 3; RFT 240 (December 2013), p. 1. Thus, if their monthly net income (less allowable needs deductions) is in excess of \$500.00, they are eligible for MA assistance under the G2S program with a deductible equal to the amount of income remaining after the appropriate and allowed deductions which is greater than \$500.00.

As discussed above, their net income was [REDACTED]. In calculating the deductible, allowances are made for health insurance premiums and remedial services. BEM 544, pp. 1-2. Neither are responsible for their Medicare Part B premiums and there was no evidence presented of other insurance premiums. They do not have any remedial services. The Department deducted an ongoing medical expense of \$44.00, but at the hearing the parties agreed that the expense was old and they no longer have that expense. Therefore, the PIL is subtracted to reach a deductible of \$1,710.00 (rounded down). The only distinction of the deductible calculated by the Department and that calculated here was the consideration of an old medical expense which is no longer applicable and needs to be removed from budget consideration. Because of that expense, the Department has not properly calculated Petitioner's and her husband's MA deductible.

Finally, the Department determined that Petitioner and her husband were eligible for PF-MA. PF-MA is a MAGI-related limited coverage Medicaid group available to any United States citizen or individual with an immigration status entitling them to full Medicaid coverage (not emergency services only (ESO)) residing in Michigan whose fiscal group's MAGI income does not exceed 195% of the federal poverty level (FPL), or [REDACTED] and meets the other eligibility criteria. BEM 124 (July 2023), p. 1. There are no age or gender restrictions to PF-MA eligibility. BEM 124, p. 1. PF provides MA coverage for family planning services. See <https://www.michigan.gov/mdhhs/assistance-programs/healthcare/adults/planfirst>. Because Petitioner's and her husband's annual gross income (MAGI) of [REDACTED] is significantly less than the income limit, they are eligible for PF-MA.

DECISION AND ORDER

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 did not act in accordance with Department policy when it calculated Petitioner's and her husband's MA deductible of \$1,667.00.

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:

1. Redetermine Petitioner's and her husband's MA G2S deductible effective February 1, 2025;
2. If otherwise eligible, issue coverage for benefits not previously received; and,
3. Notify Petitioner in writing of its decision.



AMANDA MARLER
ADMINISTRATIVE LAW JUDGE

APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://lrs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

Via Electronic Mail:

Respondent

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Interested Parties

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Via First Class Mail:

Petitioner

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