



Date Mailed: April 2, 2025
Docket No.: 25-007644
Case No.: 111733252
Petitioner: [REDACTED]

«RECIP_FULL_NAME»
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«RECIP_CITY», «RECIP_SPCODE»
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هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

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

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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.

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

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 April 1, 2025. [REDACTED] the Petitioner, appeared on Petitioner's own behalf. The Department of Health and Human Services (Department) was represented by Hannah Czechowski, Hearings Coordinator.

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-16.

ISSUE

Did the Department properly deny Petitioner full-coverage MA (Medical Assistance) through the HMP (Healthy Michigan Program)?

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 received full-coverage MA through the HMP.

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2. On January 30, 2025, the Department mailed a health care coverage determination notice to Petitioner informing Petitioner that she did not apply for the Medicare Savings Program at that time. No denial of any other program occurred.
 3. On February 7, 2024, Petitioner submitted a completed redetermination form.
 4. On February 15, 2024, Petitioner submitted copies of checks she received in January and February 2024 from [REDACTED]
 5. Petitioner received income of [REDACTED] in January 2024 and February 2024 from [REDACTED]
 6. Petitioner received RSDI (Retirement, Survivors, and Disability Insurance) income of [REDACTED]
 7. The Department determined that Petitioner's annual income exceeded the limit to be eligible for full-coverage MA through the HMP.
 8. On February 14, 2024, the Department mailed a health care coverage determination notice to Petitioner to notify Petitioner that Petitioner was ineligible for MA through the HMP effective March 1, 2024.
 9. On January 28, 2025, Petitioner requested a hearing to dispute the Department's determination.

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 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 administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

At the hearing, Petitioner indicated that she disputes the Department's denial of full-coverage MA through the HMP.

Health care coverage for adults is available through various programs, including the Healthy Michigan Plan. In order for an individual to be eligible for MA through the Healthy

Michigan Plan, the individual must be age 19 to 64, and the individual's household income must not exceed 133% of the Federal Poverty Limit (FPL). BEM 137 (June 1, 2020), p. 1.

The household size is determined based on tax filer and tax dependent rules. BEM 211 (July 1, 2019), p. 1. For tax filers, the household size includes the tax filer, the tax filer's spouse, and all dependents claimed. *Id.* at 1-2. Here, the Department properly determined that Petitioner's household size was 1.

The FPL for a household size of 1 in 2023 is \$19,391.40.88 FR 3424 (January 19, 2023). The Department also applies a 5% disregard to the income limit when the disregard is the difference between eligibility and non-eligibility. Thus, HMP income limits are functionally 138% of the FPL. The 5% disregard is the amount equal to 5% of the FPL, not a flat 5% disregard of income. BEM 500, p.5. See also: Modified Adjusted Gross Income Related Eligibility Manual (May 2014), p. 15, available at: https://www.michigan.gov/documents/mdch/MAGI_Manual_457706_7.pdf.

Income eligibility is based on modified adjusted gross income (MAGI) for HMP purposes. BEM 137, p. 1 and 7 CFR 435.603. MAGI is defined as adjusted gross income increased by (1) excluded foreign income, (2) tax exempt interest, and (3) the amount of social security benefits excluded from gross income. 26 USC 36B(d)(2)(B). Adjusted gross income is that which is commonly used for Federal income taxes, and it is defined as gross income minus deductions for business expenses, losses on the sale or exchange of property, retirement contributions, and others. 26 USC 62.

The Department begins its income determination by examining a client's self-reported income. BEM 500 at 5. If the client's self-reported income is over the income limit, then the client is ineligible. *Id.* If the client's self-reported income is below the income limit, the Department compares the client's self-reported income to income obtained from trusted sources to determine if the two are compatible. *Id.* Income is compatible if the difference between the two is 10% or less. *Id.* If the two are compatible, then the Department uses the client's self-reported income. *Id.* If the two are not compatible and the income obtained from trusted sources is over the income limit, then the Department requires the client to provide proof of the self-reported income. *Id.* at p. 5-6.

Based on the evidence presented, Petitioner reported that she receives employment income of [REDACTED] per month. Petitioner also receives RSDI income of [REDACTED] per month. After expenses are removed from Petitioner's income, Petitioner's countable annual income is [REDACTED]. Because Petitioner's annual income exceeds the annual income limit of \$19,391.40, the Department properly denied Petitioner full-coverage MA through the HMP based on the information Petitioner provided at the time of the February 7, 2024, redetermination.

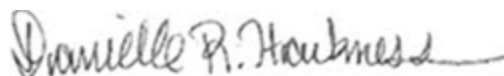
At the hearing, Petitioner indicated that she would like her budget to be re-run as changes have occurred. Petitioner is encouraged to submit updated income and expense

verifications to the Department immediately if Petitioner wishes to have her budget re-run.

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 acted in accordance with its policies and the applicable law when it denied Petitioner full-coverage MA through the HMP.

IT IS ORDERED the Department's decision is **AFFIRMED**.



DANIELLE R. HARKNESS
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://lsr.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

GENESEE COUNTY DHHS CLIO RD DIST
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FLINT, MI 48502

MDHHS-GENESEE-CLIO-HEARINGS@MICHIGAN.GOV

Interested Parties

BSC2
M SCHAEFER
EQAD
MOAHR

Via First Class Mail:

Petitioner

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]