

GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

[REDACTED] Date Mailed: February 4, 2025
MOAHR Docket No.: 24-013809
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle Nuccio

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 February 3, 2025. Petitioner appeared and represented herself. [REDACTED] also testified on Petitioner's behalf. The Department of Health and Human Services (MDHHS) was represented by Jaquace Harwell, Eligibility Specialist.

The 20-page hearing packet was admitted as MDHHS Exhibit A.

ISSUE

Did MDHHS properly deny Petitioner's Medical Assistance/Medicaid (MA) application due to excess income?

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 October 22, 2024, Petitioner applied for MA. Petitioner is unmarried and has no tax dependents. Petitioner reported that she is employed at [REDACTED] (Employer). (Exhibit A, pp. 6-13).
2. On December 19, 2024, MDHHS issued a Healthcare Coverage Determination Notice, stating that Petitioner is not eligible for MA coverage due to excess gross income (Exhibit A, pp. 15-18).
3. Petitioner timely submitted a hearing request disputing the denial of her MA application based on excess gross income (Exhibit A, pp. 3-4).

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.

MDHHS concluded that Petitioner is not eligible for MA coverage due to excess income. Petitioner disputes the denial of her MA application.

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. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105 (January 2024), p. 1; BEM 137 (January 2024), p. 1. If an individual is unable to receive MA under an SSI-related category, because no individual is aged (65 or older), blind, disabled, or entitled to Medicare or formerly blind or disabled, then MDHHS must review the household's eligibility based on Modified Adjusted Gross Income (MAGI) methodology for MA coverage under the MAGI categories: children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MIChild, Flint Water Group and HMP. 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.

The Healthy Michigan Plan (HMP) is based on Modified Adjusted Gross Income (MAGI) methodology. HMP provides health care coverage for individuals who:

- Are 19-64 years of age.
- Do not qualify for or are not enrolled in Medicare.
- Do not qualify for or are not enrolled in other Medicaid programs.
- Are not pregnant at the time of application.
- Meet Michigan residency requirements.
- Meet Medicaid citizenship requirements.

- Have income at or below 133 percent Federal Poverty Level (FPL).

BEM 137, p. 1.

Petitioner is [REDACTED] years old, is not considered disabled, does not receive Social Security benefits, and does not care for any minor children. Therefore, MDHHS properly evaluated Petitioner's eligibility under HMP. Petitioner meets all non-financial factors for HMP eligibility. MDHHS determined that Petitioner does not qualify for HMP since her income exceeds the income limit for eligibility. Household size or group composition for MAGI-related categories follows tax filer and tax dependent rules. The household for a tax filer, who is not claimed as a tax dependent, consists of the individual, individual's spouse, and tax dependents. BEM 211 (October 2023), pp. 1-2. In this case, Petitioner would be considered a household size of one since she is not married and has no tax dependents. The 2024 FPL for a group size of one is \$15,060 or \$1,255.00 monthly. 133% of the FPL for a household size of one is \$20,030 annually or \$1,669.00 monthly.¹ MDHHS testified that they used Petitioner's income paystubs from Employer from pay periods ending on October 4, 2024 for \$[REDACTED] and on October 18, 2024 for \$[REDACTED] (see Exhibit A, pp. 10-13). Upon review, Petitioner received \$[REDACTED] in monthly income. Since Petitioner's monthly gross income exceeds 133% of the FPL, she does not qualify to receive MA under the HMP. As Petitioner does not qualify for another MA category, MDHHS acted in accordance with policy in denying Petitioner's MA application. At the hearing, Petitioner was advised by MDHHS to reapply if her income changes.

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 denied Petitioner's MA application due to excess income.

DECISION AND ORDER

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

DN/mp



Danielle Nuccio
Administrative Law Judge

¹ <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references>

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

Keisha Koger-Roper
Wayne-District 31 (Grandmont)
17455 Grand River
Detroit, MI 48227
**MDHHS-Wayne-31-Grandmont-
Hearings@Michigan.gov**

Interested Parties

EQAD Hearings
M. Schaefer
MOAHR
BSC4

Petitioner

Via-First Class Mail :

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