



Date Mailed: March 7, 2025

Docket No.: 25-005873

Case No.: [REDACTED]

Petitioner: [REDACTED]

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

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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; 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 hearing was held by teleconference on March 5, 2025 and the parties participated jointly by Microsoft Teams from the Michigan Department of Health and Human Services (Department) local office. Petitioner appeared and represented herself. The Department was represented by Sunshine Simonson, Eligibility Specialist.

### ISSUE

Did the Department properly determine Petitioner's Medicaid (MA) eligibility effective February 1, 2025 ongoing?

### 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 [REDACTED], 2024, Petitioner turned [REDACTED] years old.
2. Petitioner is not married, lives in [REDACTED], receives Retirement, Survivors, and Disability Insurance (RSDI) income of \$ [REDACTED] per month and pension income of \$ [REDACTED] per month, and has Medicare.

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3. Until January 31, 2025, Petitioner was covered under Healthy Michigan Plan (HMP) MA. (Exhibit A, p. 8).
4. Effective February 1, 2025 ongoing, the Department approved Petitioner for MA subject to a monthly deductible of \$1,359, and Plan First Family Planning (PFFP). (Exhibit A, pp. 8, 12).
5. On January 24, 2025, the Department received a request for hearing from Petitioner, disputing the Department's denial of Medicare Savings Program (MSP). (Exhibit A, pp. 3 – 5).

### **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.

Petitioner requested a hearing to dispute that the Department denied her MSP. However, during the hearing, Petitioner testified that her request for hearing as to MSP was an error and that she disputed the Department's determination as to her MA eligibility for PFFP. The Department approved Petitioner for MA subject to a monthly deductible of \$1,359 and PFFP, effective February 1, 2025.

The Department did not object to proceeding with the hearing as to Petitioner's corrected issue and the record was sufficient to do so. Therefore, Petitioner's request for hearing as to MSP is dismissed and the only remaining issue to be addressed is the Department's determination of Petitioner's MA eligibility.

Under federal law, an individual is entitled to the most beneficial category, which is the one that results in a) eligibility, b) the least amount of excess income, or c) the lowest cost share. BEM 105 (January 2024), p. 2. All MA category options must be considered in order for the Petitioner's right of choice to be meaningful. BEM 105, p. 2. 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, p. 1; BEM 137 (January 2024), p. 1; BEM 124 (July 2023), p. 1. Because Petitioner is over 65, a Medicare recipient, and there was no evidence that she is the caretaker of a minor child, Petitioner is eligible for MA under SSI-related categories only.

Based on Petitioner's circumstances, she was potentially eligible for AD-Care MA. The AD-Care program is a Group 1, full-coverage, SSI-related MA program for individuals who are income-eligible based on their MA fiscal group size. BEM 163 (July 2017), p. 1. Net income for this program cannot exceed 100% of the Federal Poverty Level (FPL) for the fiscal group size. BEM 163, p. 1. For SSI-related MA purposes, adults who are not married, such as Petitioner, are a fiscal group size of one. BEM 211 (October 2023), p. 8. Because she is a fiscal group of one, to be income eligible for this program, Petitioner's monthly income must be \$1,275 or less. RFT 242 (April 2024).

In this case, Petitioner and the Department agree that she receives RSDI in the amount of \$[REDACTED] per month plus \$[REDACTED] per month in pension income. The total gross amount of RSDI and pension is counted as unearned income but, for purposes of SSI-related MA, is reduced by \$20 to determine the net unearned income. BEM 503 (January 2025), pp. 29 – 31; BEM 541 (January 2025), p. 3; see also BEM 163. Petitioner's gross RSDI and pension income of \$[REDACTED], reduced by \$20, equals \$[REDACTED] in net unearned income. Petitioner, who does not have earned income, expenses related to non-SSI children, or a court-appointed guardian and/or conservator, is not eligible for any additional deductions. BEM 541, pp. 1, 3. And, although federal law requires that the Department disregard any cost of living adjustment (COLA) that begins in a new year when the Department determines a client's MA eligibility for the coverage months of January, February, or March of that year, Petitioner's COLA adjustment of \$35 did not impact her eligibility for AD-Care MA. BEM 503, pp. 30 – 31. Therefore, because Petitioner's countable net income was more than the \$1,275 limit for AD-Care MA, the Department properly determined Petitioner was not eligible for AD-Care MA.

Clients who are ineligible for full-coverage MA coverage because of excess income may still be eligible for Group 2 SSI-related (G2S) MA, an SSI-related MA program which provides for MA coverage with a monthly deductible. BEM 105, p. 1. The deductible for G2S MA is equal to a) the amount of the individual's SSI-related net income, b) minus allowable needs deductions set forth in BEM 544, and c) minus the applicable Group 2 MA protected income level (PIL). BEM 166, p. 2; BEM 541, pp. 1, 3 – 4; BEM 544 (January 2020). The PIL is a set allowance for non-medical need items such as shelter, food, and incidental expenses that is based on the county in which the client resides and the client's fiscal MA group size. BEM 544, p. 1. The PIL for Wayne County, where Petitioner resides, is \$375 for a one-person fiscal group. RFT 200 (April 2017), p. 2; RFT 240 (December 2013).

In this case, the Department presented a budget showing how Petitioner's G2S deductible was calculated (Exhibit A, p. 9), and as discussed above, Petitioner's net income was \$[REDACTED]. Consistent with federal law, the Department further reduced Petitioner's income by her 2025 COLA of \$35 when it determined her MA eligibility for

February 2025 because it was within the first three months of the current year. BEM 503, pp. 30 – 31. This reduced Petitioner's current net income to \$[REDACTED].

From Petitioner's current net income of \$[REDACTED], the Department subtracts allowable needs deductions, consisting of health insurance premiums of the MA recipient and remedial services for residents of adult foster care (AFC) or homes for the aged (HA). BEM 544, pp. 1 – 2. There was no evidence that Petitioner lives in AFC or HA and although the evidence established that Petitioner has Medicare Part B, she testified that she does not pay a premium for that coverage at this time. Additionally, the Department testified that the State Online Query (SOLQ), which provides the Department with data from the Social Security Administration (SSA) regarding a client's social security income and Medicare premiums, reported that Petitioner does not have a premium payment for Medicare Part B. Based on the evidence and testimony, the Department properly determined Petitioner was not eligible for any further deductions from her current net income and her countable income remained \$[REDACTED].

The Department then deducted Petitioner's \$375 PIL from Petitioner's \$[REDACTED] countable net income, which left \$[REDACTED]. This amount becomes the deductible amount. Therefore, the Department properly determined Petitioner's monthly deductible in the amount of \$[REDACTED] effective February 1, 2025 ongoing.

### **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 Department policy when it approved Petitioner for G2S MA with a monthly deductible of \$1,359 effective February 1, 2025.

Accordingly, Petitioner's request for hearing as to MSP is **DISMISSED**, and the Department's decision is **AFFIRMED**.



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**CARALYCE M. LASSNER**  
**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](https://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](mailto: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

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**Via Electronic Mail:**

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**Petitioner**

[REDACTED]