



Date Mailed: June 30, 2025
Docket No.: 25-012036
Case No.: [REDACTED]
Petitioner: [REDACTED]



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

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Docket No.: 25-012036

Case No.: [REDACTED]

Petitioner: [REDACTED]

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 June 23, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Mita Bhatia, Family Independence Specialist. Olivia Brown provided translation services (Russian).

ISSUE

Did the Department properly close Petitioner's Refugee Cash Assistance (RCA), Food Assistance Program (FAP), and Medicaid (MA) cases?

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 February 17, 2024, Petitioner entered the US as a refugee from the Ukraine.
2. Petitioner is married but does not live with his spouse.
3. Petitioner is [REDACTED] years old.
4. Petitioner is not disabled and does not care for any minor children.
5. On March 1, 2024, Petitioner began receiving FAP benefits, cash assistance under the RCA program, and MA under the Healthy Michigan Plan (HMP).
6. In May 2024, Petitioner became employed with [REDACTED] (Employer).
7. In connection with a January 2025 redetermination for FAP, Petitioner disclosed his employment with Employer and notified MDHHS that he was paid [REDACTED] per week in gross income. (Exhibit A, p. 28)

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8. On January 16 and 17, 2025, MDHHS received verification of employment showing that Petitioner was employed with Employer for 40 hours weekly at [REDACTED] per hour and received [REDACTED] weekly. (Exhibit A, pp. 26-27)
 9. On January 6, 2025, MDHHS sent Petitioner (i) a Notice of Case Action notifying him that effective February 1, 2025 his RCA case was closing because he had resided in the US for more than 8 months and the group did not contain an eligible child and his FAP case was closing because his gross income exceeded the gross income limit for eligibility and (ii) a Health Care Coverage Determination Notice notifying him that effective February 1, 2025 his MA case was closing because he did not meet the eligibility criteria based on his age, not being the parent caretaker of a minor child, not being disabled, and having excess income. (Exhibit A, pp. 17, 20, 21-25)
 10. On March 24, 2025, MDHHS received Petitioner's request for hearing disputing the closure of his cash assistance, FAP and MA cases. With his hearing request, Petitioner included a copy of the first page of his 2024 1040 individual federal income tax return form. (Exhibit A, pp. 4-13)

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).

In this case, Petitioner disputed the closure of his RCA cash assistance, FAP and MA cases.

Cash Assistance Case Closure

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP and RCA pursuant to 45 CFR 233-260 and 45 CFR 400.45; MCL 400.10, the Social Welfare Act, MCL 400.1 to 400.119b, and Mich Admin Code, R 400.3101 to 400.3131.

Petitioner had been receiving cash assistance under the RCA program. According to the January 6, 2025 Notice of Case Action, his cash assistance case closed effective February 1, 2025 because he had received more than 8 months of RCA and did not have a minor child in the home. At the hearing, the MDHHS worker clarified that the RCA time limit for Petitioner was 12 months and that the reference to Petitioner not having a minor child in the home was intended to show that he was not eligible for cash assistance under FIP.

FIP, RCA and State Disability Assistance (SDA) are the three State cash assistance programs designed to help individuals and families become self-sufficient. BEM 209 (January 2022), p. 1. When an individual applies for cash assistance, Bridges, MDHHS's database, determines group composition and builds an eligibility determination group for these programs in the following order: FIP, RCA and SDA. BEM 209, p. 1. Cash assistance is available to eligibility determination groups who meet all the non-financial and financial requirements that are needed to determine eligibility and calculate benefit amounts. BEM 209, p. 1.

In order to be eligible for FIP, the group must include a dependent child who lives with a legal parent, stepparent or other qualifying caretaker. BEM 210 (July 2021) p. 1. SDA is a cash program for individuals who are not eligible for FIP and are disabled or the caretaker of a disabled person. BEM 214 (April 2019), p. 1. Because Petitioner acknowledged that he was not the parent caretaker of a minor child and not disabled and there was no evidence presented that he was the caretaker of a disabled person, Petitioner was not eligible for cash assistance under the FIP or SDA programs.

RCA is a cash program for refugees who are not eligible for FIP. BEM 215 (July 2013), p. 1; BEM 630 (May 2025), p. 1. Refugees with a date of entry into the US before May 4, 2025 are eligible for RCA for up to twelve months. Month one is the month containing the date of entry. BEM 630, p. 1. United States Customs and Immigration Services (USCIS) determines an individual's date of entry into the U.S. and enters it on the I-94 or other immigration document. BEM 630, p. 4. This USCIS determination is not subject to the MDHHS fair hearing process. BEM 630, p. 4.

Here, the parties did not dispute that Petitioner entered the US as a refugee from the Ukraine on February 17, 2024. Because he was eligible for RCA beginning February 2024, his date of entry, his twelve months of eligibility expired January 31, 2025. Because the only cash assistance program Petitioner was eligible for was under RCA and because his twelve months of eligibility expired at the end of January, MDHHS properly closed Petitioner's RCA case effective February 1, 2025.

FAP Case Closure

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

MDHHS closed Petitioner's FAP case due to excess gross income.

FAP groups without a senior/disabled/disabled veteran (SDV) member who are not categorically eligible for FAP must have income below the gross and net income limits. BEM 550 (October 2024), p. 1; BEM 213 (October 2024), p. 1.

Petitioner is married but did not live with his spouse. He acknowledged that he was not disabled. Therefore, Petitioner had a one-person FAP group and was not an SDV member of his FAP group. Therefore, if he was not categorically eligible for FAP, he would have to have income below the gross income limit. To be categorically eligible for FAP, Petitioner had to have gross income at or below 200% of the federal poverty level, or [REDACTED] RFT 250 (October 2024), p. 1; BEM 213, p. 1. For individuals who are not categorically eligible, the gross income limit for a one-person FAP group is [REDACTED] RFT 250, p. 1.

MDHHS determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Prospective income is income not yet received but expected. BEM 505 (October 2022), pp. 1-2. In prospecting income, MDHHS is required to use income from the past 30 days if it appears to accurately reflect what is expected to be received in the benefit month, discarding any pay if it is unusual and does not reflect the normal, expected pay amounts. MDHHS will use income from the past 60 or 90 days for fluctuating or a regular income if the past 30 days is not a good indicator of future income and the fluctuations of income during the past 60 or 90 days appear to accurately reflect the income that is expected to be received in the benefit month. MDHHS will compute the average monthly income (and convert weekly and every other week amounts) based on the amounts and the number of months entered. BEM 505, pp. 5-7. A standard monthly amount must be determined for each income source used in the budget. BEM 505, pp. 7-8. Income received weekly is converted to a standard monthly amount by multiplying the average of the weekly pay amounts by the 4.3 multiplier. BEM 505, pp. 7-9. Income received biweekly is converted to a standard monthly amount by multiplying the average of the biweekly pay amounts by the 2.15 multiplier. BEM 505, pp. 7-9. An employee's wages include salaries, tips, commissions, bonuses, severance pay, and flexible benefit funds not used to purchase insurance. MDHHS counts gross wages in the calculation of earned income. BEM 501 (January 2024), pp. 6-7.

Here, MDHHS testified that, based on Petitioner's statement at his FAP interview and documentation from Petitioner's Employer (or the sponsor of his employment), it determined Petitioner's gross monthly income was [REDACTED]. At the hearing, Petitioner argued that he did not consistently receive [REDACTED] weekly and that his income fluctuated. He testified that he advised MDHHS of these fluctuations in December 2024. However, MDHHS received two verifications of employment received in January 2025 and both stated that Petitioner received [REDACTED] in gross weekly income from Employer. Because Petitioner did not provide any documentation from Employer to MDHHS inconsistent with that relied upon by MDHHS, MDHHS properly considered Petitioner's gross weekly income from Employer to be [REDACTED].

Because weekly income must be multiplied by 4.3 to determine the standard monthly amount, Petitioner's gross monthly income is [REDACTED]. Because Petitioner's standard monthly income does not make him categorically eligible for FAP, his eligibility is subject to the [REDACTED] gross income limit for his one-person FAP group. Based on Petitioner's gross monthly [REDACTED] income from Employer, MDHHS properly determined that Petitioner's income exceeded the FAP gross income limit and closed Petitioner's case.

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MA Case Closure

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 closed Petitioner's MA case due to him not meeting any of the eligibility criteria for MA.

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. Individuals may also qualify for limited MA coverage under the Plan First Family Planning (PFFP) program. 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. 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.

Petitioner is not under age 19, 65 or older, blind or disabled, or the parent or caretaker of a minor child. Therefore, he is potentially eligible for MA only under HMP or for limited MA coverage under PFFP if he meets the eligibility criteria.

HMP is a Modified Adjusted Gross Income (MAGI)-related MA category that provides full-coverage MA 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; (vi) are residents of the State of Michigan; and (vii) meet citizenship requirements. BEM 137, p. 1; 42 CFR 435.603. PFFP is a limited coverage MAGI-related MA program available to eligible individuals who have income under the MAGI methodology at or below 195% of the FPL. BEM 124 (July 2023), p. 2.

In this case, MDHHS concluded that Petitioner was not eligible for HMP or PFFP. In order to be income eligible for HMP, the household's MAGI-income cannot exceed 133% of the FPL applicable to the individual's group size. In order to be income eligible for PFFP, the household's MAGI-income cannot exceed 195% of the FPL applicable to the individual's group size. A 5% disregard is applied to the limit to make an individual income eligible.

An individual's group size for MAGI purposes requires consideration of the client's tax filing status. In this case, Petitioner included a 1040 federal tax form with his hearing request, indicating that he is a tax filer. His filing status showed that he was filing single with no dependents. Thus, Petitioner was a single-person MA group for HMP and PFFP purposes. BEM 211 (October 2023), p. 2. 133% of the annual FPL in 2025 for a household with one member is [REDACTED]. See <https://www.federalregister.gov/documents/2024/01/17/2024-00796/annual-update-of-the-hhs-poverty-guidelines>. Therefore, to be income eligible for HMP, Petitioner's annual income cannot exceed [REDACTED] annually, or [REDACTED] monthly. A 5% disregard, which may be applied to make someone HMP eligible, raises the applicable FPL limit to [REDACTED]. To be income eligible for PFFP, Petitioner's annual income cannot exceed [REDACTED] annually, or [REDACTED] monthly. The 5% disregard raises the applicable PFFP monthly limit to [REDACTED].

Although Petitioner produced his 2024 federal tax forms to argue in support of his receipt of only [REDACTED] in annual income, MDHHS considers *current* monthly income and family size (except for individuals who report seasonal work and complete a projected annual income field on the MA application to show work for only a portion of the year with reasonably predictable changes in income within the upcoming 12 months). Michigan Medicaid State Plan Amendment Transmittal 17-0100, effective November 1, 2017 and approved by the Center for Medicare and Medicaid Services on March 13, 2018 available at https://www.michigan.gov/mdhhs/-/media/Project/Websites/mdhhs/Folder3/Folder80/Folder2/Folder180/Folder1/Folder280/SPA_17-0100_Approved.pdf.

The employment income verifications that MDHHS received from Employer (or the organization that arranged for Petitioner's employment with Employer) showed that Petitioner began his employment with Employer in May 2024 and as of January 2025, he received [REDACTED] per week in gross weekly income. Therefore, MDHHS properly relied on [REDACTED] in weekly income in determining Petitioner's HMP and PFFP eligibility.

To determine financial eligibility for MAGI-related MA policies such as HMP and PFFP, income must be calculated in accordance with MAGI under federal tax law. 42 CFR 435.603(e); BEM 500 (April 2022), pp. 3-4. MAGI is based on Internal Revenue Service rules and relies on federal tax information. BEM 500, p. 3. To determine income in accordance with MAGI, a client's adjusted gross income (AGI) is added to any tax-exempt foreign income, tax-exempt Social Security benefits, and tax-exempt interest. AGI is found on line 11 of IRS tax forms 1040, 1040-SR, and 1040-NR. Alternatively, it is calculated by taking the "federal taxable wages" for each income earner in the household as shown on the paystub or, if not shown on the paystub, by using gross income before taxes reduced by any money the employer takes out for health coverage, child care, or retirement savings. See <https://www.healthcare.gov/income-and-household-information/how-to-report/>

In this case, there was no evidence that Petitioner's gross income was reduced by health coverage premiums, child care expenses or retirement savings. Accordingly, based on

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the evidence presented, Petitioner's monthly income for HMP and PFFP purposes was [REDACTED]. Because Petitioner's prospective gross monthly income exceeds the HMP and PFFP monthly income limits, even with the 5% disregard, MDHHS properly concluded that Petitioner was ineligible for HMP or PFFP.

As a refugee, Petitioner is also potentially for Refugee Medical Assistance (RMA). RMA is a federal program that helps refugees become self-sufficient after their arrival in the U.S. BEM 216 (July 2015), p. 1. Because RMA is a medical assistance program for refugees who are not eligible for other MA coverage, eligibility for all other MA categories must be determined prior to making an RMA eligibility determination. BEM 216, p. 1. However, eligibility for RMA, like RCA, is available only during the twelve months immediately following the refugee's date of entry into the U.S., with month one being the month containing the date of entry. BEM 630, p. 1. Because Petitioner entered the US in February 2024, he was no longer eligible for RMA as of February 2025. Therefore, MDHHS properly did not consider his eligibility for RMA.

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 closed Petitioner's cash assistance, FAP and MA cases.

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



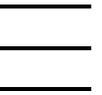
ALICE C. ELKIN
ADMINISTRATIVE LAW JUDGE

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
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