

Michigan Office of Administrative Hearings and Rules
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Lansing, MI 48909



[REDACTED]
815 MAPLEGROVE AVE
ROYAL OAK, MI 48067

Date Mailed: July 3, 2025
Docket No.: 25-012188-RC
Case No.: 121175730
Petitioner: [REDACTED]

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

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Date Mailed: July 3, 2025
Docket No.: 25-012188-RC
Case No.: [REDACTED]
Petitioner: [REDACTED]

SUPERVISING ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

ORDER GRANTING REQUEST FOR RECONSIDERATION
AND
DECISION ON RECONSIDERATION

On May 23, 2025, the Michigan Office of Administrative Hearing and Rules (MOAHR) received a request for rehearing and/or reconsideration from [REDACTED] the attorney-in-fact and authorized hearing representative (AHR) for Petitioner [REDACTED]. The request concerned the Hearing Decision issued by Administrative Law Judge (ALJ) Ellen McLemore on April 28, 2025 under MOAHR docket no. 25-012188. Because the request was received by MOAHR within 30 days of the date the decision was issued, it is timely. MCL 24.287(3); MCL 400.37; Mich Admin Code, R 792.11015.

A rehearing is a full hearing which may be granted if the original hearing record is inadequate for purposes of judicial review or there is newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision. Bridges Administrative Manual (BAM) 600 (June 2024), p. 44. A reconsideration is a paper review of the facts, law or legal arguments and any newly discovered evidence that existed at the time of the hearing and may be granted when the original hearing record is adequate for purposes of judicial review and a rehearing is not necessary, but one of the parties is able to demonstrate that the ALJ misapplied manual policy or law in the hearing decision, which led to the wrong decision; issued a Hearing Decision with typographical errors, mathematical errors, or other obvious errors that affect the substantial rights of the petitioner; or failed to address other relevant issues in the hearing decision. BAM 600, p. 45.

Here, the AHR had requested a hearing to dispute the closure of Petitioner's Medicaid (MA) case by the Michigan Department of Health and Human Services (MDHHS). MDHHS had closed Petitioner's MA coverage under the Healthy Michigan Plan (HMP), finding that he was ineligible because he had excess income. In the hearing request, the AHR argued that Petitioner was a disabled individual who had lost his Supplemental Security Income (SSI) after the Social Security Administration (SSA) concluded that he had excess employment income. The AHR argued that, as a disabled and employed individual, Petitioner should be eligible for MA under Freedom to Work (FTW) MA

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program. In the Hearing Decision, the ALJ, while acknowledging that the AHR argued that Petitioner should be eligible for MA coverage under FTW, noted that Petitioner had been previously receiving MA under the full-coverage HMP and stated that Petitioner's eligibility under HMP would be first considered. The ALJ found that MDHHS did not act in accordance with Department policy when it concluded that Petitioner was not eligible for HMP coverage due to excess income and ordered MDHHS to redetermine Petitioner's MA eligibility coverage as of January 1, 2025 and provide him with MA coverage he is entitled to receive.

In her request for reconsideration, the AHR acknowledges that Petitioner was subsequently approved for HMP coverage but continues to argue that he was also eligible for FTW coverage, which was preferred because it had a higher income limit for eligibility. The AHR argued in favor of Petitioner's eligibility for FTW MA coverage both in her hearing request and at the hearing, but the ALJ failed to address this issue. Because an issue raised by the AHR was not addressed in the Hearing Decision, Petitioner has established a basis for reconsideration. Therefore, the request for reconsideration is **GRANTED**.

The Decision and Order of Reconsideration follows a full review of the case file, all exhibits, the hearing record and applicable statutory and policy provisions.

DECISION ON RECONSIDERATION

ISSUE

Did MDHHS properly assess Petitioner's MA eligibility?

FINDINGS OF FACT

The undersigned, based upon the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On April 24, 2025, a hearing was held concerning Petitioner's MA benefits under MOAHR docket no. 25-012188.
2. On April 28, 2025, the ALJ issued a Hearing Decision in the matter.
3. The Findings of Fact numbers 1 through 5 in the Hearing Decision are incorporated by reference. Additional Findings of Fact are made as follows:
 - a. Petitioner was a recipient of Supplemental Security Income (SSI) until January 2022.

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- b. The AHR argued in the hearing request and at the hearing that Petitioner was disabled and MDHHS should assess his eligibility for MA under the FTW program. _____
4. On May 23, 2025, the MOAHR received the AHR's timely request for reconsideration, which is granted herein. _____

CONCLUSIONS OF LAW

MDHHS policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), Reference Tables Manual (RFT), and Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396 *et seq.*; 42 USC 1315; and the Patient Protection and Affordable Care Act of 2010, PL 111-148, as amended; and 42 CFR 430.0 to 42 CFR 430.25. MDHHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435; 42 CFR 431.10 *et seq.*; 42 CFR 438.1 *et seq.*; and MCL 400.10 and MCL 400.105 to MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.*

The AHR requested a hearing to dispute the closure of Petitioner's MA case. MDHHS found that Petitioner was ineligible for MA due to his income exceeding the income limit for HMP eligibility. In her hearing request, the AHR argued that Petitioner was disabled and eligible for MA under the FTW category. In the Hearing Decision, the ALJ, while acknowledging that the AHR argued that Petitioner was eligible for MA coverage under FTW, concluded that MDHHS erred in finding Petitioner not eligible for MA coverage under full-coverage HMP due to excess income and ordered MDHHS to reassess his eligibility. Based on the ALJ's order, MDHHS activated Petitioner's HMP coverage.

In her rehearing and/or reconsideration request, the AHR acknowledges that MDHHS activated HMP coverage for Petitioner but continues to argue that Petitioner is disabled, and because he is disabled and employed, he is eligible for MA under the FTW program.

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. HMP is a Modified Adjusted Gross Income (MAGI)-related full coverage MA program for any individuals between 16 and 64 who meet all the financial and nonfinancial criteria for eligibility. BEM 137 (January 2024), p. 1. FTW is an SSI-related full-coverage MA program for disabled individuals between age 16 and 64 who have earned income. BEM 174 (October 2024), p. 1. SSI recipients whose SSI eligibility has ended due to financial factors are among those who should be considered for FTW. BEM 174, p. 1.

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Here, the evidence established that the AHR had notified MDHHS that Petitioner was disabled and that SSA ended his SSI eligibility due to financial factors, not due to resolution of his disability. MDHHS policy provides that, if SSA terminates an individual's SSI due to financial factors, MDHHS must continue the individual's MA coverage for 12 months from the date of SSI termination and schedule 12 months from the date of SSI termination a medical review by Disability Determination Service (DDS). BEM 260 (January 2023), p. 1. MDHHS must process an individual's disability claim consistent with the requirements in BAM 815 (January 2025). In addition to being determined disabled by DDS, the client must also meet all financial and other nonfinancial criteria for SSI-related MA. BEM 260, p. 2.

At the hearing, MDHHS acknowledged that the AHR had argued that Petitioner was disabled but admitted it had not started processing the DDS review of Petitioner's disability. Because MDHHS had not referred Petitioner's disability claim to DDS consistent with BAM 815 and had not assessed Petitioner's eligibility for MA coverage under FTW, MDHHS failed to satisfy its burden of determining the most favorable MA coverage Petitioner is eligible to receive.

DECISION AND ORDER

Based on the above Findings of Fact and Conclusions of Law, the undersigned finds that MDHHS improperly failed to satisfy its burden of showing that it assessed Petitioner for disability-based MA.

Accordingly, the April 28, 2025 Hearing Decision is **AFFIRMED** with respect to the finding that Petitioner was income eligible for HMP but **REVERSED** with respect to MDHHS's failure to consider Petitioner's FTW eligibility.

MDHHS IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION ON RECONSIDERATION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Assess whether Petitioner is eligible for MA coverage under the FTW program;
2. Provide Petitioner with the most favorable coverage he is eligible to receive for January 1, 2025 ongoing;
3. Notify Petitioner and the AHR in writing of its decision.


ALICE C. ELKIN

SUPERVISING ADMINISTRATIVE LAW JUDGE

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APPEAL RIGHTS: Petitioner may appeal this Decision on Reconsideration 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://ls.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 Decision on Reconsideration.

Either party who disagrees with this Decision on Reconsideration may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this decision. Requests MOAHR receives more than 30 days from the mailing date of this Decision on Reconsideration may be considered untimely and dismissed. The request should include Petitioner's name, the docket number from page 1 of this Decision on Reconsideration, 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.

Via

Electronic Mail:

Respondent

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Interested Parties

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Via

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Petitioner

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