



**Date Mailed:** July 14, 2025

**Docket No.:** 25-019948

**Case No.:** [REDACTED]

**Petitioner:** [REDACTED]



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

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**Case No.:** [REDACTED]

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### **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 July 2, 2025. Petitioner appeared and was represented by Authorized Hearing Representative, [REDACTED] from the Guidance Center. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Sunshine Simonson, Eligibility Specialist.

### **ISSUE**

Did the Department properly determine Petitioner's Medical Assistance/Medicaid (MA) coverage?

### **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 was an ongoing MA recipient under Freedom to Work (FTW).
2. Petitioner receives \$ [REDACTED] in gross monthly Retirement Survivors Disability Insurance (RSDI), based on a disability. Petitioner is enrolled in Medicare and has no minor children.
3. Petitioner submitted a Change Report to MDHHS reporting that her employment with [REDACTED] (STEP) had ended on March 14, 2025 (Exhibit A, pp. 11-12).
4. Petitioner's employment with [REDACTED] ended May 17, 2025 (Exhibit A, p. 15).
5. Effective May 1, 2025, Petitioner's FTW MA closed (Exhibit A, p. 8).
6. Effective May 1, 2025, Petitioner was approved for Group 2 for SSI-recipients (G2S) MA coverage with a monthly deductible or spenddown of \$1,489.00 (Exhibit A, pp. 18-24).

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7. Effective June 1, 2025, Petitioner was approved for G2S MA coverage with a monthly deductible or spenddown of \$1,074.00 (Exhibit A, pp. 18-24).
8. On May 19, 2025, Petitioner requested a hearing to dispute the Department's actions with respect to her MA case (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.

In this case, Petitioner disputes the Department's determination that she was eligible for MA under the G2S category subject to a monthly deductible. Petitioner asserted that she has been disabled since she was a child and her eligibility for MA under the Disabled Adult Child (DAC) category should have been determined.

Petitioner was receiving FTW MA, an SSI-related MA category, which is MA for individuals who are blind, disabled, or over age 65. BEM 105 (January 2024), p. 1. FTW MA is available to a client with disabilities, age 16 through 64, who has earned income. BEM 174 (October 2024), p. 1. As Petitioner was no longer receiving earned income when her employment ended, MDHHS properly determined that Petitioner was no longer eligible to receive FTW MA. MDHHS was then required to determine the most beneficial MA category for Petitioner as required by federal law. The most beneficial category is the one that results in eligibility, the least amount of excess income or the lowest cost share. BEM 105, p. 3. Petitioner, who has no minor children, is enrolled in Medicare, and receives RSDI, is eligible for SSI-related MA in a category other than FTW. Individuals are eligible for Group 1 coverage, with no deductible, if their income falls below the income limit, and eligible for Group 2 coverage, with a deductible that must be satisfied before MA is activated, when their income exceeds the income limit. BEM 105, p. 1.

MDHHS testified that they determined that Petitioner was not eligible for Group 1 MA without a deductible under the AD-Care category because her RSDI income was in excess of the limit. MDHHS stated that it determined Petitioner was only eligible for MA under the G2S category with a monthly deductible. The G2S category is an SSI-related

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Group 2 MA category, the eligibility of which must be considered only when eligibility does not exist under BEM 155 through 164, 170, or 171. BEM 166 (April 2017).

DAC MA is an SSI-related Group 1 MA category and is available to a person receiving DAC (also called Childhood Disability Beneficiaries' or CDBs') RSDI benefits under section 202(d) of the Social Security Act if he or she meets all of the following conditions:

- is age 18 or older; and
- received SSI; and
- ceased to be eligible for SSI on or after July 1, 1987, because she became entitled to DAC RSDI benefits under section 202(d) of the Act or an increase in such RSDI benefits; and
- is currently receiving DAC RSDI benefits under section 202(d) of the Act (based on having a disability or blindness that began before age 22); and
- would be eligible for SSI without such RSDI benefits.

BEM 158 (October 2014) pp. 1-2.

MDHHS testified that Petitioner's MA eligibility under the DAC category was not considered prior to the approval of Petitioner's G2S MA coverage. MDHHS did not have an explanation for the failure to consider Petitioner's eligibility under another SSI-related MA category when FTW closed. As Department policy provides that persons may qualify under more than one MA category, and federal law gives persons the right to the most beneficial category, MDHHS was required to consider all other categories of MA coverage once Petitioner's FTW MA closed. MDHHS should have considered all SSI-related categories before the determination that Petitioner must receive G2S MA coverage with a monthly deductible. Therefore, MDHHS did not act in accordance with policy in determining that Petitioner must receive G2S MA coverage.

### **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 did not act in accordance with Department policy when it determined Petitioner's ongoing MA eligibility.

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

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

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1. Reprocess Petitioner's MA eligibility to determine the most beneficial category of coverage in accordance with policy and consistent with this hearing decision;
2. Consider Petitioner's eligibility for DAC MA for May 1, 2025, ongoing;
3. If Petitioner is eligible for MA benefits, provide coverage to Petitioner for any MA that she was eligible to receive but did not from May 1, 2025, ongoing;
4. Notify Petitioner and her AHR of its decision in writing.



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**DANIELLE NUCCIO**  
**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

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.

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**Via Electronic Mail:**

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**Interested Parties**

EQAD HEARINGS  
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**Via First Class Mail:**

**Authorized Hearing Rep**

[REDACTED]  
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[REDACTED] MI [REDACTED]

**Petitioner**

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