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HAMTRAMCK, MI 48212

**Date Mailed:** September 12, 2025  
**Docket No.:** 25-021669  
**Case No.:** 125752581  
**Petitioner:** ██████████

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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.

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**Docket No.:** 25-021669

**Case No.:** [REDACTED]

**Petitioner:** [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 August 14, 2025. Petitioner appeared and represented herself. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Markita Mobley, Assistance Payments Supervisor. Khaled Mahmood served as Bengali interpreter.

### **ISSUE**

Did the Department properly determine Petitioner and her husband's eligibility for Medical Assistance (MA) benefits?

### **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 or around [REDACTED] 2025, Petitioner submitted an application requesting MA benefits for herself and her household members.
2. Petitioner's household includes herself, her husband ([REDACTED]) and one child. At the time of the application, Petitioner was pregnant with one child.
3. On or around May 12, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice (Notice) advising her that effective May 1, 2025, she was eligible for MA benefits subject to a monthly deductible of \$1,819. The Notice also advised that effective [REDACTED] 2025, Petitioner's husband was eligible for the Healthy Michigan Plan (HMP) but with Emergency Services Only (ESO) coverage. (Exhibit A, pp. 16-20)
4. Petitioner confirmed that her husband is not a U.S. Citizen and that he is a legal permanent resident with a February 21, 2024, date of U.S. entry. (Exhibit A, p. 7)
5. On or around May 27, 2025, Petitioner requested a hearing disputing the Department's determination that she was ineligible for full coverage MA benefits

and the Department's determination that her husband was eligible for ESO MA coverage.

### **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 requested a hearing disputing the Department's finding that effective [REDACTED] 2025, her husband is eligible for ESO MA coverage and that she was ineligible for a full coverage MA category.

#### **MA for Petitioner's husband**

At the hearing, the Department asserted that Petitioner's husband is ineligible for full coverage MA because he is a non-citizen residing in the U.S. less than five years.

Department policy provides that, to be eligible for full coverage MA, a person must be a U.S. citizen or a non-citizen admitted to the U.S. under a specific immigration status. BEM 225 (November 2024), pp. 1-4. An individual who is a lawful permanent resident with a class code on the permanent residency card (I-551) other than RE, AM or AS is eligible only for ESO MA coverage for the first five years in the U.S. unless the alien is a qualified military non-citizen or the spouse or dependent child of a qualified military non-citizen or a noncitizen rolled into the U.S. For at least one year under INA Section 212(d)(5). BEM 225, pp. 7-8. A qualified military noncitizen is a qualified noncitizen on active duty in, or veteran honorably discharged from, the U.S. Armed Forces. BEM 225, pp. 5-7. A person who does not meet an acceptable alien status, including undocumented aliens and non-immigrants who have stayed beyond the period authorized by the U.S. Citizenship and Immigration Services, are eligible only for ESO MA coverage. BEM 225, p. 9. The alien status of each non-citizen must be verified to be eligible for full MA coverage. BEM 225, p. 2.

At the hearing, there was no dispute that Petitioner's husband is not a U.S. citizen and that he became a legal permanent resident on or around February 21, 2024. There was no evidence that Petitioner's husband's legal permanent residency card reflected a

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class code of RE, AM or AS and also no evidence presented that Petitioner's husband was a qualified military noncitizen or the spouse of a qualified military noncitizen. Notwithstanding Petitioner's testimony, because Petitioner's husband has not been a permanent resident noncitizen for five or more years, does not have an eligible class code, is not a qualified military alien or spouse of a qualified military alien, and does not meet the eligibility criteria identified in BEM 225, he is not eligible for full-coverage MA. Therefore, the Department properly concluded that Petitioner's husband is eligible for the Healthy Michigan Plan but with Emergency Services Only coverage effective May 1, 2025.

### MA for Petitioner

In this case, Petitioner disputed the Department's determination that she was eligible for MA under a deductible based program and not a full coverage MA program without a deductible. The Department asserted that Petitioner had excess income and was ineligible for full coverage under a Modified Adjusted Gross Income (MAGI) category but was determined eligible for MA under a Group 2 category with a monthly deductible of \$1,819, effective May 1, 2025.

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, (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage, and (iv) to individuals who meet the eligibility criteria for Plan First Medicaid (PF-MA) coverage. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105 (October 2023), p. 1; BEM 137 (June 2020), p. 1; BEM 124 (July 2023), p. 1. 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. Group 2 categories are considered a limited benefit because a deductible is possible. BEM 105, 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.

Because Petitioner was pregnant at the time of the application, the Department properly determined that she was not eligible for full coverage MA under the HMP, which is a MAGI-related MA category that provides MA coverage 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; and (vi) are residents of the State of Michigan. BEM 137, p. 1; 42 CFR 435.603.

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Petitioner is potentially eligible for MA based on her status as a pregnant woman and/or parent/caretaker under a MAGI-related category or as a pregnant woman/parent/caretaker under a Group 2 program. Although the Department testified that Petitioner was determined ineligible for MA under the program that the Department identified as HKP due to excess income, the Department did not present any policy related to this program and did not identify any income limit associated with such MA program. Additionally, the Department did not present any evidence that it determined Petitioner's MA eligibility under the Group 1 MA under the MAGI-related Pregnant Women (PW) category.

An individual is eligible for PW MA if her household income does not exceed 195% of the FPL based on her group size. BEM 125 (April 2022), pp. 1-3. An individual's group size for MAGI purposes requires consideration of the client's tax filing status and dependents. Family size means the number of persons counted as members of an individual's household. 42 CFR 435.603(b). Petitioner's testimony at the hearing was such that her household consisted of herself, her husband, one child, and one unborn child as she was pregnant at the time of application. Thus, although the Department testified that it determined the household size was three, the evidence suggested that Petitioner's household size was four, as in the case of determining the family size of a pregnant woman, the pregnant woman is counted as herself plus the number of children she is expected to deliver. 42 CFR 435.603(b); BEM 211, p. 5; See also (Medicaid State Plan Amendment Transmittal No.: MI-17-0100 [https://www.michigan.gov/documents/mdhhs/MAGI-Based\\_Income\\_Methodologies\\_SPA\\_17-0100\\_-\\_Submission\\_615009\\_7.pdf](https://www.michigan.gov/documents/mdhhs/MAGI-Based_Income_Methodologies_SPA_17-0100_-_Submission_615009_7.pdf)). The FPL for a group size of four in 2025, is [REDACTED] 195% of the annual FPL in 2025, for a household with four members is [REDACTED]. See <https://aspe.hhs.gov/poverty-guidelines>. Therefore, to be income eligible for PW MA, Petitioner's annual income cannot exceed [REDACTED] and thus, the monthly income cannot exceed [REDACTED]. Additionally, Department policy provides that if an individual's group's income is within 5% of the FPL for the applicable group size, a disregard is applied, making the person eligible for MA. MREM, § 7.2; BEM 500 (April 2022), pp. 3-5. With the 5% disregard applied, the household income limit is [REDACTED] or [REDACTED] monthly.

To determine financial eligibility under PW MA, income must be calculated in accordance with MAGI under federal tax law. 42 CFR 435.603(e); BEM 500 (April 2022), p. 3. MAGI is based on Internal Revenue Service rules and relies on federal tax information. *Id.* 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. 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/>.

At the hearing, the Department representative testified that it relied on information from the paystubs submitted and specifically considered gross earnings for Petitioner's husband of ██████ received on May 2, 2025, ██████ received on May 9, 2025, ██████ received on May 16, 2025, and ██████ received on May 23, 2025. The Department testified that there was no other income considered in the household. Based on the pay information obtained from the paystubs, Petitioner and her husband had MAGI at the time of the application in the total amount of ██████ which is below the income limit identified above for their group size. Therefore, it was unclear why the Department denied Petitioner's MA coverage under a Group 1 category due to excess income. Based on the information available to the Department at the time the application was processed, the Department improperly concluded that Petitioner was ineligible for full coverage MA benefits.

Upon review, the Department failed to establish that the household had excess income or that Petitioner was otherwise ineligible for MA benefits under the PW MA category. Although there was some discussion at the hearing concerning Petitioner's eligibility for MA under the Group 2 category subject to a monthly deductible, because MA coverage under PW is more beneficial than the limited coverage Group 2, the calculation of the MA deductible will not be addressed.

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

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:

1. Provide Petitioner with MA coverage under the Pregnant Women (PW) category from ██████ 2025, ongoing; and
2. Notify Petitioner in writing of its decision.



**ZAINAB A BAYDOUN**  
**ADMINISTRATIVE LAW JUDGE**

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**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](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.

**Via Electronic Mail:**

**Respondent**

WAYNE-HAMTRAMCK-DHHS

12140 JOSEPH CAMPAU

HAMTRAMCK, MI 48212

**MDHHS-WAYNE-55-HEARINGS@MICHIGAN.GOV**

**Via First Class Mail:**

**Petitioner**

[REDACTED]

[REDACTED]

[REDACTED] MI [REDACTED]

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