



**Date Mailed:** August 29, 2025  
**Docket No.:** 25-023884  
**Case No.:** [REDACTED]  
**Petitioner:** [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

This is an important legal document. Please have someone translate the document.

هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

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.:** 25-023884

**Case No.:** [REDACTED]

**Petitioner:** [REDACTED]

### **HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge (ALJ) 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 4, 2025. Petitioner [REDACTED] appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Marcella Towns, Assistance Payment Worker. The hearing was conducted by ALJ Zainab Baydoun. Because ALJ Baydoun is not available, the undersigned has reviewed the record in its entirety and issues this decision pursuant to Mich Admin Code, R 792.10106(7).

### **ISSUE**

Did the Department properly determine Petitioner's Medicaid (MA) eligibility?

### **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 has been an ongoing recipient of MA under the Plan First Family Planning (PFFP) program since June 1, 2024.
2. On April 14, 2025, Petitioner reported to MDHHS that her husband had passed away on [REDACTED] 2025. (Exhibit A, p. 6)
3. On April 19, 2025, MDHHS sent Petitioner a Verification Checklist (VCL) requesting verification of her employment income in connection with determining her ongoing eligibility for MA.
4. MDHHS timely received Petitioner's paystubs showing that she received gross income of [REDACTED] on April 11, 2025 and [REDACTED] on April 25, 2025. (Exhibit A, pp. 10-11)
5. On June 4, 2025, Petitioner submitted an application for MA.

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6. Petitioner is ■ years old, not a Medicare recipient, not the parent of a minor child, and not determined disabled by any federal or state agency. She lives in ■ County.
  7. Petitioner is a tax filer who reported that her ■-year-old disabled daughter is a tax dependent. (Exhibit A, p. 12)
  8. On June 5, 2025, MDHHS sent Petitioner a Health Care Coverage Determination Notice (HCCDN) notifying her that she was not eligible for MA because she was not under 21; pregnant; the caretaker of a minor child in her home; or over age 65, blind or disabled. The HCCDN indicated that it determined that Petitioner's annual income was ■ (Exhibit A, pp. 15-17)
  9. On June 11, 2025, MDHHS sent Petitioner a HCCDN notifying her that she was approved for MA under the PFFP program.
  10. On June 18, 2025, MDHHS received Petitioner's request for hearing disputing the MA decision.

### **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.

At the hearing, MDHHS reported that Petitioner was an ongoing recipient of MA under PFFP.

MA medical insurance coverage 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 Family Planning (PFFP) coverage. 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

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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 not age 65 or older, blind or disabled, a Medicare recipient, under age 19, the parent or caretaker of a minor child, or pregnant or recently pregnant, Petitioner was potentially eligible for MA coverage under only HMP or PFFP. 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 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.

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. An individual's group size for MAGI purposes requires consideration of the client's tax filing status.

In this case, Petitioner testified, consistent with her application, that she filed taxes and claimed her [REDACTED]-year-old disabled daughter as a dependent. Thus, Petitioner is a two-person MA group for HMP purposes. BEM 211 (October 2023), p. 2. 133% of the annual FPL in 2025 for a household with two members is [REDACTED]. See <https://www.federalregister.gov/documents/2025/01/17/2025-01377/annual-update-of-the-hhs-poverty-guidelines>. Therefore, to be income eligible for HMP, Petitioner's group's annual income cannot exceed [REDACTED] annually, or [REDACTED] monthly. Additionally, individuals whose income is not more than 5% over the HMP limit are eligible for a 5% disregard resulting in HMP eligibility for Petitioner if the group's income does not exceed [REDACTED] or [REDACTED] monthly.

In determining MAGI 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](https://www.michigan.gov/mdhhs/-/media/Project/Websites/mdhhs/Folder3/Folder80/Folder2/Folder180/Folder1/Folder280/SPA_17-0100_Approved.pdf). MAGI does not include Supplemental Security Income (SSI) but does include Retirement, Survivors, Disability and Insurance (RSDI) benefits. See <https://www.healthcare.gov/glossary/modified-adjusted-gross-income-magi/>.

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In this case, although Exhibit A included a printout entitled “MAGI Eligibility Determination,” MDHHS testified that it had not assessed Petitioner’s eligibility for HMP following her June 2025 application. While the “MAGI Eligibility Determination” indicates that Petitioner’s daughter and a member of her MAGI group may have income, there was no evidence presented at the hearing concerning the type of income she has and whether that income is countable. Because MDHHS did not determine Petitioner’s eligibility for HMP, which would provide more beneficial MA coverage than PFFP, when she applied for MA in June 2025, MDHHS did not satisfy its burden of showing that it acted in accordance with policy when it concluded that Petitioner was eligible for only PFFP 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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined Petitioner’s MA coverage.

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. Redetermine Petitioner’s MA eligibility for June 1, 2025 ongoing, requesting verification if necessary;
2. If eligible, provide Petitioner with the most beneficial coverage she is eligible to receive from June 1, 2025 ongoing; and
3. Notify Petitioner in writing of its decision.

  
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](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**

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**Via First Class Mail:**

**Petitioner**

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