



Date Mailed: August 22, 2025

Docket No.: 25-026740

Case No.: [REDACTED]

Petitioner: [REDACTED]

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

Este es un documento legal importante. Por favor, que alguien traduzca el documento.

这是一份重要的法律文件。请让别人翻译文件。

Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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Petitioner: [REDACTED]

HEARING DECISION

On July 14, 2025, Petitioner [REDACTED] requested a hearing to dispute a Medicaid determination. As a result, a hearing was scheduled to be held on August 19, 2025. Public assistance hearings are held pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; 45 CFR 205.10; and Mich Admin Code, R 792.11002.

The parties appeared for the scheduled hearing. Petitioner appeared and represented herself. Respondent Michigan Department of Health and Human Services (Department) had Family Independence Manager Krista Hainey appear as its representative. There were no other participants.

Both parties provided sworn testimony, and one exhibit was admitted into evidence. A 21-page packet of documents provided by the Department was admitted collectively as Exhibit A.

ISSUE

Did the Department properly determine Petitioner's Medicaid 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 is married, and Petitioner has three children. Petitioner's spouse is [REDACTED]. Petitioner's three children are [REDACTED] and [REDACTED]. [REDACTED] birth date is September [REDACTED] 2006. [REDACTED] birth date is May [REDACTED] 2011. [REDACTED] birth date is June [REDACTED] 2012.
2. For the 2024 tax year, Petitioner and her spouse each filed income tax returns as married filing separately. Petitioner claimed [REDACTED] and [REDACTED] as dependents. [REDACTED] filed his own tax return.
3. Petitioner's spouse is the proprietor of an auto repair business, [REDACTED].
4. Petitioner worked for [REDACTED] but she is no longer involved in the business.

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5. On April [REDACTED] 2025, Petitioner began working at [REDACTED]. Petitioner works an average of 37.5 hours per week. [REDACTED] pays Petitioner \$[REDACTED] per hour, and [REDACTED] pays Petitioner biweekly.
 6. [REDACTED] works for [REDACTED]. [REDACTED] works an average of 40 hours per week. [REDACTED] pays [REDACTED] \$[REDACTED] per hour, and [REDACTED] pays [REDACTED] biweekly.
 7. On June [REDACTED] 2025, Petitioner submitted a renewal form to the Department to renew her children's Medicaid. In the renewal form, Petitioner reported the following pertinent information:
 - a. Petitioner reported that she was employed by [REDACTED], and Petitioner reported that she received gross pay of \$[REDACTED] per week.
 - b. Petitioner reported that [REDACTED] was employed by [REDACTED], and Petitioner reported that [REDACTED] received gross pay of \$[REDACTED] biweekly.
 - c. Petitioner reported that she was claiming [REDACTED] and [REDACTED] as dependents on her income tax return.
 8. The Department received Petitioner's renewal form, and the Department determined that it needed additional information to determine Petitioner's Medicaid eligibility.
 9. On June [REDACTED] 2025, the Department mailed a verification checklist to Petitioner to obtain additional information to determine Petitioner's Medicaid eligibility. The Department instructed Petitioner to provide the following information to the Department by June 20, 2025:
 - a. The last 30 days of Petitioner's earnings from [REDACTED].
 - b. The last 30 days of [REDACTED] earnings from [REDACTED].
 10. Petitioner contacted the Department in response to the verification checklist. Petitioner informed the Department that she was no longer working for [REDACTED] [REDACTED] and Petitioner asked what documentation she needed to provide to the Department.
 11. On June [REDACTED] 2025, the Department mailed a health care coverage determination notice to Petitioner to notify her that: (a) [REDACTED] was no longer eligible for Medicaid as of July 1, 2025, because Petitioner did not provide proof of his earnings from [REDACTED] (b) [REDACTED] was no longer eligible for Medicaid as of August 1, 2025, because Petitioner did not provide proof of her earnings from [REDACTED] [REDACTED] [REDACTED] and (c) [REDACTED] was no longer eligible for Medicaid as of

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August 1, 2025, because Petitioner did not provide proof of her earnings from [REDACTED]

12. Petitioner requested a hearing to dispute the Department's decision to find her children ineligible for Medicaid.

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).

Medicaid is also known as Medical Assistance (MA). The 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 administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, Petitioner is disputing the Department's decision to find her children ineligible for Medicaid. The Department found Petitioner's children ineligible for Medicaid because Petitioner did not provide proof of earnings as requested by the Department. Thus, the issue here is whether the Department properly determined that Petitioner's children were ineligible for Medicaid because Petitioner did not provide proof of earnings as requested by the Department.

Verification is usually required by the Department at the time of application/redetermination and for a reported change. BAM 130 (May 1, 2024), p. 1. The Department must tell a client what verification is required, how to obtain it, and the due date. *Id.* at 3. The Department must allow the client 10 calendar days to provide requested verification. *Id.* at 8. The client must obtain the verification, but the local office must assist if the client needs it and asks for help. *Id.* Verifications are only considered timely if they are received by the due date. *Id.* The Department must send a negative action notice when the client refuses to provide the verification, or the client has failed to provide the verification by the due date. *Id.*

Based on the evidence presented, the Department properly instructed Petitioner to provide verification of her household income, and Petitioner did not provide the verification as instructed. Although Petitioner asserted that she provided the verification as instructed, the Department did not receive it, and it was Petitioner's responsibility to ensure the Department received her verification. Petitioner did not establish that she provided the verification as instructed. Since Petitioner did not provide the verification as instructed, the Department was required to send a negative action notice to

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Petitioner, which meant that the Department was required to notify Petitioner that her children's Medicaid was closed. Thus, the Department acted in accordance with BAM 130 when it sent the June 25, 2025, health care coverage determination notice to Petitioner. Therefore, The Department's decision is affirmed. Petitioner may reapply for Medicaid.

If Petitioner decides to reapply for Medicaid, it is important to understand that Petitioner must provide complete and truthful information in her application. BAM 105 (June 1, 2025), p. 1. Petitioner did not provide complete information in the renewal form she submitted to renew her children's Medicaid because Petitioner did not accurately report her household income. Petitioner reported that her household income consisted of the income she earned from her employment at [REDACTED] and the income that [REDACTED] earned from his employment at [REDACTED]. Petitioner was not earning income from [REDACTED] at the time, so this was incorrect. Additionally, Petitioner reported that [REDACTED] was receiving \$[REDACTED] biweekly from his employment, but [REDACTED] was actually receiving \$[REDACTED] biweekly from his employment, so this was also incorrect. Petitioner should have reported that she was no longer employed at [REDACTED], Petitioner should have reported that she was employed at [REDACTED], Petitioner should have accurately reported [REDACTED] income, and Petitioner should have reported that her spouse was self-employed at [REDACTED].

Since Petitioner is not claiming [REDACTED] as a tax dependent, [REDACTED] has a group size of one. That means that [REDACTED] Medicaid eligibility will be determined based on his income for a household size of one. The income limit for MiChild is 212% of the Federal Poverty Level (FPL). BEM 130 (January 1, 2024), p. 2. The FPL for a household size of one in 2025 is \$15,650.00. 90 FR 5917 (January 17, 2025). Thus, 212% of the FPL is \$33,178.00. However, a 5% disregard is available to make those individuals eligible who would otherwise not be eligible. BEM 500 (April 1, 2022), p. 5. The 5% disregard increases the income limit by an amount equal to 5% of the FPL for the household size. *Id.* at 5. Therefore, the income limit with the 5% disregard is \$33,960.50. Accordingly, [REDACTED] income limit is \$[REDACTED].

Since Petitioner is married and Petitioner claims [REDACTED] and [REDACTED] as dependents, [REDACTED] and [REDACTED] have a group size of four. Although Petitioner and her spouse file separate income tax returns, they must be included in the same group together because they are married. BEM 211 (October 1, 2023), p. 2. That means that the Department must consider Petitioner's spouse's self-employment income when the Department determines Kaiden and Logan's Medicaid eligibility. The FPL for a household size of four in 2025 is \$32,150.00. 90 FR 5917 (January 17, 2025). Thus, 212% of the FPL is \$68,158.00, and the income limit with the 5% disregard is \$69,765.50. Accordingly, the applicable income limit for [REDACTED] and [REDACTED] is \$[REDACTED].

Income eligibility is based on modified adjusted gross income (MAGI) for MiChild. BEM 130 at 2 and 7 CFR 435.603. MAGI is defined as adjusted gross income increased by

(1) excluded foreign income, (2) tax exempt interest, and (3) the amount of social security benefits excluded from gross income. 26 USC 36B(d)(2)(B). Adjusted gross income is that which is commonly used for Federal income taxes, and it is defined as gross income minus deductions for business expenses, losses on the sale or exchange of property, retirement contributions, and others. 26 USC 62.

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 its policies and the applicable law when it determined Petitioner's Medicaid eligibility.

IT IS ORDERED that the Department's decision is **AFFIRMED**.



JEFFREY KEMM
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 Mail:

Respondent
BERRIEN COUNTY DHHS
401 EIGHTH ST
PO BOX 1407
BENTON HARBOR, MI 49023
**MDHHS-BERRIEN-
HEARINGS@MICHIGAN.GOV**

Via First Class Mail:

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]