



Date Mailed: September 3, 2025

Docket No.: 25-027109

Case No.: [REDACTED]

Petitioner: [REDACTED]

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এটি একটি গুরুত্বপূর্ণ জাইনি ডকুমেন্ট। দয়া করে কেউ দ্রষ্টাবেজ অনুবাদ করুন।

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Date Mailed: September 3, 2025
Docket No.: 25-027109
Case No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held via Microsoft Teams on August 27, 2025. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Richkelle Curney, hearings facilitator.

ISSUES

The first issue is whether MDHHS properly determined Petitioner's Medical Assistance (MA) eligibility.

The second issue is whether MDHHS properly determined Petitioner's Food Assistance Program (FAP) 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. During 2024, Petitioner received gross monthly Retirement, Survivors and Disability Insurance (RSI) of \$ [REDACTED]
1. As of February 2025, Petitioner was disabled, over the age of 21 years, not a caretaker of minor children, not pregnant, and a Medicare recipient.
2. As of February 2025, Petitioner received gross monthly Retirement, Survivors and Disability Insurance (RSI) of \$ [REDACTED]
3. On February [REDACTED] 2025, MDHHS determined Petitioner was eligible for the limited-coverage MA category of Plan First and Medicaid subject to a monthly deductible of \$ [REDACTED] beginning March 2025.

4. Beginning April 2025, Petitioner received MA subject to a monthly deductible of \$ [REDACTED]
5. On July [REDACTED] 2025, Petitioner requested a hearing to dispute MA eligibility. Petitioner also disputed FAP eligibility.
6. On August 27, 2025, Petitioner withdrew her dispute over FAP benefits.

CONCLUSIONS OF LAW

The FAP [formerly known as the Food Stamp program] is funded under the federal Supplemental Nutrition Assistance Program (SNAP) established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 7 USC 2036d. It is implemented by the federal regulations contained in 7 CFR 273. MDHHS administers the FAP pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq.*, and Mich Admin Code, R 400.3001 to R 400.3031. FAP policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner, in part, requested a hearing to dispute FAP eligibility.¹ Exhibit A, pp. 4-6. During the hearing, Petitioner testified she no longer needed a hearing for FAP benefits. MDHHS had no objections to Petitioner's partial hearing request withdrawal. Based on Petitioner's partial hearing request withdrawal, Petitioner's dispute over FAP benefits will be dismissed.

The MA program is established by Title XIX of the Social Security Act, 42 USC 1396 to 42 USC 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 to 42 CFR 430.25. MDHHS administers the MA program pursuant to 42 CFR 435, MCL 400.10 and MCL 400.103 to MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.* MA policies are contained in the BAM, BEM, and RFT.

Petitioner also requested a hearing to dispute a determination of Medicaid eligibility. Exhibit A, pp. 4-6. A Health Care Coverage Determination Notice dated February [REDACTED] 2025, stated that Petitioner was eligible for Medicaid subject to a \$ [REDACTED] monthly deductible and the limited-coverage MA category of Plan First beginning March 2025.²

Petitioner requested a hearing more than 90 days after written notice was issued. Clients only have 90 days from the date of written notice to dispute eligibility (see BAM

¹ A Notice of Case Action dated June [REDACTED] 2025 stated that Petitioner was eligible to receive \$ [REDACTED] (an increase) from May through August 2025. Based on the proximity to Petitioner's hearing request date, this is the presume determination that triggered Petitioner's hearing request concerning FAP benefits.

² Plan First is a MAGI-related limited-coverage MA category available to any United States citizen or individual with a qualified immigration status. BEM 124 (July 2023) p. 1. Plan First coverage is a "limited-coverage" because it only covers family planning services such as birth control (see form DCH-2840-MSA).

600). Because Petitioner took more than 90 days, Petitioner's dispute will be limited to ongoing MA eligibility. MDHHS testified that Petitioner was eligible as of April 2025 for the limited-coverage MA category of Plan First and a \$ [REDACTED] deductible.

Medicaid is also known as MA. BEM 105 (January 2024) p. 1. The MA program includes several sub-programs or categories. *Id.* To receive MA under a Supplemental Security Income (SSI)-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MIChild and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology.³ *Id.*

Persons may qualify under more than one MA category. *Id.*, p. 2. Federal law gives them the right to the most beneficial category. *Id.* The most beneficial category is the one that results in eligibility, the least amount of excess income or the lowest cost share. *Id.*

MA categories are also split into categories of Group 1 and Group 2. *Id.*, p. 1. For Group 1, a group's net income must be at or below a certain income level for eligibility. *Id.* Group 2 categories are considered a limited benefit (not limited coverage) because a deductible is possible. *Id.*

The evidence suggested that Petitioner was at least 21 years of age, a Medicare recipient, not a caretaker to minor children, unmarried, and not pregnant. As a non-pregnant, non-caretaker, Medicare recipient above the age of 21 years, Petitioner is ineligible for all full-coverage MAGI-related categories. As a disabled and/or aged individual, Petitioner is potentially eligible to receive full-coverage MA under the Group 1 SSI-related category of Aged/Disabled Care (AD Care). BEM 163 (July 2017) p. 1.

At all relevant times, Petitioner was without minor children and did not reside with a spouse. For purposes of AD-Care, Petitioner's group size is one. BEM 211 (October 2023) p. 8.

As of the disputed benefit month, Petitioner received gross monthly RSDI of \$ [REDACTED]. Generally, MDHHS counts the gross amount of RSDI in determining Medicaid eligibility.⁴ BEM 503 (January 2023) p. 29. Petitioner's RSDI of \$ [REDACTED] is countable for AD-Care.

For SSI-Related MA categories, MDHHS is to apply the deductions allowed in BEM 541 for adults. BEM 163 (July 2017) p. 2. A \$20 disregard is given for unearned income.

³ Eligibility factors for all MA categories are found in the Bridges Eligibility Manual from BEM 105 through BEM 174.

⁴ Exceptions to counting gross RSDI include the following: certain former SSI recipients (e.g., disabled-adult children, 503 individuals, and early widowers), retroactive RSDI benefits, Medicare premium refunds, fee deductions made by qualified organizations acting as payee, and "returned benefits" (see BAM 500). No exceptions were applicable.

BEM 541 (July 2019) p. 3. Subtracting the \$20 disregard from Petitioner's RSDI results in countable income of \$ [REDACTED]

For AD-Care, MDHHS also gives budget credits for employment income, guardianship expenses, and/or conservator expenses. Cost of living adjustments (COLA) are applicable for the benefit months of January through March only. BEM 503 (January 2023) p. 29. No additional expenses or credits were applicable to Petitioner's budget.

Net income for AD-Care cannot exceed 100% of the federal poverty level BEM 163 (July 2017) p. 2. In 2025, the annual federal poverty level for a one-person group residing in Michigan is \$15,650.⁵ Dividing the annual FPL by 12 results in a monthly income limit of \$1,305 (rounding up to nearest dollar). The same income limit is found in policy.⁶ RFT 242 (April 2025) p. 1. Petitioner's countable income of \$ [REDACTED] exceeds the AD-Care income limit. Given the evidence, MDHHS properly determined Petitioner to be ineligible for MA under any Group 1 MA category other than Plan Firs beginning April 2025.⁷

Though Petitioner is ineligible for MA benefits under AD-Care or any other Group 1 category, Petitioner may still receive MA under a Group 2 category. For Group 2 categories, eligibility is possible even when net income exceeds the income limit for a Group 1 category; this is possible because incurred medical expenses are used when determining eligibility. BEM 105 (January 2024) p. 1. Group 2 categories are considered a limited MA benefit because a deductible is possible. *Id.* For aged/disabled persons, G2S is the applicable Group 2 MA category (see BEM 166).

Clients with a deductible may receive MA if sufficient allowable medical expenses are incurred.⁸ BEM 545 (July 2022) p. 10. Each calendar month is a separate deductible period. *Id.*, p. 11. The fiscal group's monthly excess income is called the deductible amount. *Id.* Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month. *Id.*

Petitioner's gross countable income of \$ [REDACTED] is unchanged for G2S. The G2S budget allows a \$20 disregard for unearned income and various employment income disregards. The G2S budget also factors ongoing medical expenses (which are applied toward a deductible), insurance premiums, and remedial services. No applicable expenses were alleged.

⁵ <https://www.healthcare.gov/glossary/federal-poverty-level-fpl/>

⁶ MDHHS policy lists an income limit of \$1,325 while noting the \$20 disregard is already factored.

⁷ Presumably, Petitioner's group's income is within the income guidelines to receive the limited coverage MA category of Plan First. The Plan First income limit is 195% of the FPL. BEM 124 (July 2023) p. 2.

⁸ Clients should be aware that medical expenses need only be incurred, and not necessarily paid, to meet a deductible/spenddown.

A client's deductible is calculated by subtracting the protected income level (PIL) from the client's net income. A PIL is a standard allowance for non-medical need items such as shelter, food, and incidental expenses. The PIL for Petitioner's shelter area and group size is \$375. RFT 240 (December 2013) p. 1.

Subtracting the PIL of \$375 and \$20 disregard from Petitioner's countable income of \$ [REDACTED] results in a monthly deductible of \$ [REDACTED] MDHHS calculated the same deductible.⁹ Thus, MDHHS properly determined Petitioner's Medicaid eligibility.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that Petitioner withdrew her dispute concerning FAP eligibility. Concerning FAP eligibility, Petitioner's hearing request dated July 30, 2025, is **DISMISSED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner to be eligible for Plan First and Medicaid subject to a \$ [REDACTED] monthly deductible beginning April 2025. Concerning Petitioner's MA eligibility beginning April 2025, the actions of MDHHS are **AFFIRMED**.



CHRISTIAN GARDOCKI
ADMINISTRATIVE LAW JUDGE

⁹ MDHHS presented no budget verifying its deductible calculation. Instead, it inexplicably presented a budget approving Petitioner for MSP benefits. Exhibit A, p. 20.

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

WAYNE-GREYDALE-DHHS
27260 PLYMOUTH RD
REDFORD, MI 48239
**MDHHS-WAYNE-15-GREYDALE-
HEARINGS@MICHIGAN.GOV**

Via First Class Mail:

Petitioner

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