



Date Mailed: September 24, 2025
Docket No.: 25-028075
Case No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED]
MI [REDACTED]

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

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Docket No.: 25-028075

Case No.: [REDACTED]

Petitioner: [REDACTED]

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 hearing was held by teleconference on September 8, 2025. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Jamila Goods, Eligibility Specialist and Hearing Coordinator.

ISSUE

Did the Department properly determine Petitioner's eligibility for Medicaid (MA) effective August 1, 2025?

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 [REDACTED] 2024, the Department received an application for MA from Petitioner. Petitioner reported he was a [REDACTED] year old single individual who resided in [REDACTED] and intended to file a 2024 income tax return. Petitioner also reported that he was employed by [REDACTED] (Employer), where he worked an average of 32 hours per week, earned \$ [REDACTED] per hour, and was paid weekly. (Exhibit A, pp. 19 – 24).
1. On June 10, 2025, the Department sent Petitioner a Wage Match Client Notice (WM) for Employer that reflected reported quarterly income of \$ [REDACTED]. The WM instructed Petitioner to have the form completed by Employer and to return it to the Department by July 10, 2025. (Exhibit A, pp. 5 – 7).
2. On July 2, 2025, the Department received the completed WM form from Petitioner, completed by Employer, which included Petitioner's earnings history from October 11, 2024 to July 3, 2025. The earnings history provided by Employer reflected that Petitioner earned at least \$ [REDACTED] gross, and at least \$ [REDACTED] after non-tax deductions, per week from June 6, 2025 through July 3, 2025. (Exhibit A, pp. 8 – 13).

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3. On July 8, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that closed his Healthy Michigan Plan (HMP) MA effective August 1, 2025.
 4. On July 21, 2025, the Department sent Petitioner a HCCDN that approved Petitioner for Plan First Family Planning (PFFP) effective August 1, 2025 ongoing, based on an annual countable income of \$ [REDACTED]. (Exhibit A, pp. 15 – 17).
 5. On July 31, 2025, the Department received a request for hearing from Petitioner disputing the Department's determination of his MA eligibility. (Exhibit A, pp. 3 – 4).
 6. On August 12, 2025, the Department received paystubs from Petitioner. The paystubs reflected that Petitioner contributes to a 401(k) plan.

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.

Petitioner requested a hearing to dispute the Department's determination of his MA eligibility. On July 21, 2025, the Department approved Petitioner for PFFP MA effective August 1, 2025. Petitioner did not dispute his eligibility for PFFP MA.

Under federal law, an individual is entitled to the most beneficial category, which is the one that results in a) eligibility, b) the least amount of excess income, or c) the lowest cost share. BEM 105 (January 2024), p. 2. All MA category options must be considered in order for the Petitioner's right of choice to be meaningful. BEM 105, p. 2. 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, and (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105, p. 1; BEM 137 (January 2024), p. 1. Individuals who do not qualify for one of the foregoing coverages may qualify for Plan First Family Planning (PFFP), which is a limited coverage MA category. BEM 124 (July 2023), p. 1.

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In this case, the evidence established that Petitioner is ■ years old, not married, has no dependent children, and has earned income only. There was no evidence that Petitioner was blind, disabled, or pregnant. Therefore, Petitioner is potentially eligible for full-coverage HMP and/or PFFP MA coverage only. HMP and PFFP are Modified Adjusted Gross Income (MAGI)-related MA programs, with HMP providing full coverage and PFFP providing limited coverage. Because HMP offers full MA coverage, it is a more beneficial coverage for Petitioner than PFFP.

To qualify for health care coverage under HMP, the individual must:

- be 19 – 64 years of age,
- not qualify for or be enrolled in Medicare,
- not qualify for or be enrolled in other Medicaid programs,
- not be pregnant at the time of application,
- meet Michigan residency requirements,
- meet Medicaid citizenship requirements, and
- have income at or below 133% of the Federal Poverty Level (FPL) for their group size.

BEM 137, p. 1.

An individual's group size for MAGI purposes requires consideration of the client's tax filing status and because Petitioner has no spouse or dependents, Petitioner has a household size of one. BEM 211 (October 2023), pp. 1 – 2. Beginning in January 2025, the annual FPL for a household size of one is \$15,650. 90 FR 5917 (January 2025), No. 2025-01377, pp. 5917-5918. Based on the FPL, the HMP income limit for a fiscal group of one is \$20,814.50 annually, or \$1,734.54 per month. Additionally, for MAGI-related plans, a 5% disregard is available to make individuals eligible, who would otherwise not be eligible, and increases the income limit by an amount equal to 5% of the FPL for the group size. BEM 500 (April 2022), p. 5. For HMP, the 5% disregard is \$783, which increases the total income limit for HMP to \$21,597, or \$1,799.75 per month.

To determine Petitioner's MAGI-income, the Department must calculate the countable income of the fiscal group in accordance with MAGI under federal tax law. 42 CFR 435.603(e); BEM 500, pp. 1, 3 – 4. MAGI is based on Internal Revenue Service rules and relies on federal tax information from current income sources. BEM 500, pp. 3 – 4; see also 42 CFR 435.603(h)(1),(2).

The Department uses current monthly income, and reasonably predictable changes in income, to calculate a client's MAGI-income. (MAGI-Based Income Methodologies (SPA 17-0100), eff. 11/01/2017, app. 03/13/2018); 42 CFR 435.603(h). MAGI-income is calculated for each income earner in the household by using the "federal taxable

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wages” reported on earner’s paystubs or, if federal taxable wages are not reported on the paystub, by using “gross income” minus amounts deducted by the employer for child

care, health coverage, and retirement plans. A client’s tax-exempt foreign income, tax-exempt Social Security benefits, and tax-exempt interest, if any, from the client’s tax return are added back to the client’s adjusted gross income (AGI) to determine MAGI income. See <https://www.healthcare.gov/income-and-household-information/how-to-report/>.

Here, the Department testified that it used Petitioner’s five weekly pay dates, as reported by Employer on the payroll report, from June 6, 2025 to July 5, 2025, to determine his average weekly income, and multiplied the average by four to calculate his MAGI-income. Based on the paystubs it used, the Department determined Petitioner had MAGI-income of \$ [REDACTED] per month. (Exhibit A, p. 14).

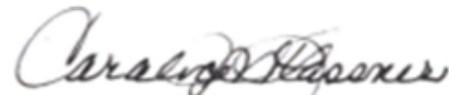
A review of the evidence established that Petitioner was paid five times from June 6, 2025 to July 3, 2025. Although the Department did not establish that it properly calculated Petitioner’s MAGI-income of \$ [REDACTED], the evidence established that Petitioner’s gross monthly income, minus the non-tax deductions identified on the payroll report, was in excess of \$1,799.75 when his weekly pay from June 6, 2025 to June 27, 2025, or from June 13, 2025 to July 3, 2025, was considered. See generally BEM 530 (April 2020), pp. 2 – 3; BEM 500 (April 2022), p. 6.

Because Petitioner’s monthly income was in excess of the highest income limit for HMP of \$1,799.75, the Department properly determined Petitioner was not eligible for HMP MA.

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 Petitioner was not eligible for HMP MA.

Accordingly, the Department’s decision is **AFFIRMED**.



**CARALYCE M. LASSNER
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.



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