



Date Mailed: September 12, 2025
Docket No.: 25-028675
Case No.: [REDACTED]
Petitioner: [REDACTED]

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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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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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Docket No.: 25-028675

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; 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 September 10, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Brandy Brown, Eligibility Specialist.

ISSUE

Did MDHHS properly determine Petitioner's Medical Assistance/Medicaid (MA) coverage?

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 was an ongoing recipient of MA.
2. Petitioner submitted a semi-annual contact report to MDHHS and provided paystubs from her husband's employment (Exhibit A, pp. 10-11).
3. On June 23, 2025, MDHHS issued a Health Care Coverage Determination Notice to Petitioner, informing her that she was eligible for Group 2 for Caretakers (G2C) MA benefits subject to a monthly deductible/spenddown of \$1,017.00, effective August 1, 2025 ongoing (Exhibit A, pp. 12-17).
4. On August 4, 2025, MDHHS received Petitioner's timely submitted hearing request disputing the determination of her MA coverage (Exhibit A, pp. 3-8).

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, MDHHS determined that Petitioner is eligible for G2C MA benefits subject to a monthly deductible/spenddown of \$1,017.00. Petitioner disputes this change to her MA coverage.

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 (January 2024), p. 1; BEM 137 (January 2024), 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. If an individual is unable to receive MA under an SSI-related category, because no individual is aged (65 or older), blind, disabled, or entitled to Medicare or formerly blind or disabled, then MDHHS must review the household's eligibility based on Modified Adjusted Gross Income (MAGI) methodology for MA coverage under the MAGI categories: children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MICHild, Flint Water Group and HMP.

As the parent of a minor child, Petitioner may be eligible for MA under the Parent/Caretaker/Relative (PCR) program under the Low-Income Family (LIF) category or, if she has excess income, under the Group 2 Caretaker (G2C) program. BEM 105, p. 1; BEM 110 (April 2018); BEM 135 (October 2015), p. 1. LIF is a MAGI-related MA category. BEM 110, p. 2. For MAGI-related categories, group size for a tax filer who is not claimed as a tax dependent consists of the individual and the individual's tax dependents. BEM 211 (October 2023), pp. 1-2. As Petitioner files taxes jointly with her husband and has a minor child, her group size for MAGI purposes is three.

An individual may be eligible for MA under the PCR LIF program if her monthly income is under 54% of the federal poverty level for the applicable group size. BEM 110, p. 1. The 2025 FPL (federal poverty level) for a group size of three is \$26,650 or \$2,221.00 monthly. 54% of the FPL for a household size of three is \$1,199.00 monthly.¹ Petitioner submitted paystubs from her husband's employment showing that he earns \$1,000.00

¹ <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references>

biweekly (see Exhibit A, pp. 10-11). Since Petitioner's household income exceeds the limit for eligibility, Petitioner is not eligible for MA under the PCR program.

Despite having excess income for PCR LIF eligibility, Petitioner is potentially eligible for MA coverage under the Group 2 Caretaker/Relative (G2C) MA program deductible program, which provides for MA coverage subject to a monthly deductible for individuals with excess income. See BEM 105, p. 2; BAM 220 (November 2023), pp. 17-19; BAM 210 (January 2024), p. 1; BEM 135 (October 2015), p. 1. G2C is a Group 2 MA program. Group 2 eligibility for MA coverage is possible even when net income exceeds the income limit for full MA coverage. BEM 105, p. 1. In such cases, the client is eligible for MA coverage with a deductible, with the deductible equal to the amount the individual's net income (countable income minus allowable income deductions) exceeds the applicable Group 2 MA protected income level (PIL), which is based on the client's shelter area (county in which the client resides) and fiscal group size. BEM 135, p. 2; BEM 544 (July 2016), p. 1; RFT 240 (October 2017), p. 1.

MDHHS did not present a copy of the G2C MA net income budget to show the calculation of Petitioner's monthly deductible and was unable to testify as to how the amount was calculated. Therefore, MDHHS failed to satisfy its burden that it acted in accordance with policy in determining Petitioner's 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 household'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. Reprocess Petitioner's MA semi-annual contact report to determine the most beneficial category of coverage in accordance with policy and consistent with this hearing decision;
2. If Petitioner or any group member is eligible for MA benefits, provide coverage for any MA that she was eligible to receive but did not from August 1, 2025, ongoing;

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3. Notify Petitioner of its decision in writing.



**DANIELLE NUCCIO
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

WAYNE-HAMTRAMCK-DHHS

12140 JOSEPH CAMPAU

HAMTRAMCK, MI 48212

MDHHS-WAYNE-55-HEARINGS@MICHIGAN.GOV

Via First Class Mail:

Petitioner

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