

Date Mailed: November 26, 2025

Docket No.: 25-032836

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 October 29, 2025. Petitioner appeared for the hearing and represented herself. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Avery Smith, Assistance Payments Supervisor.

ISSUE

Did the Department properly determine Petitioner's eligibility for Medical Assistance (MA) benefits?

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 benefits.
2. In connection with a redetermination for her Food Assistance Program (FAP) case, the income used to budget Petitioner's MA eligibility was also updated.
3. On or around July 22, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice advising that effective August 1, 2025, she was ineligible for MA on the basis that she was not under 21, pregnant, or a caretaker of a minor child, not over age 65, blind, or disabled. (Exhibit A, pp. 25-28)
4. On September 11, 2025, Petitioner requested a hearing disputing the Department's actions with respect to the MA program.

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, Petitioner requested a hearing disputing the Department's actions with respect to the MA program and the Department's determination that effective August 1, 2025, she was ineligible for MA benefits.

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, (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 Medicaid (PF-MA) coverage. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105 (October 2023), p. 1; BEM 137 (June 2020), p. 1; BEM 124 (July 2023), p. 1.

HMP is a Modified adjusted gross income (MAGI-related) MA category that provides MA coverage 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; and (vi) are residents of the State of Michigan. BEM 137, p. 1; 42 CFR 435.603. MA is also available under SSI-related categories to individuals who are disabled. If a client is not eligible for RSDI based on disability or blindness, the Disability Determination Service (DDS) determines and certifies disability. See BEM 260 (January 2023), pp. 1-5. 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.

At the hearing, the Department asserted that Petitioner had excess income for the MA program but did not clearly identify which categories of MA were considered, the household/fiscal group size applied, and any associated income limits. The Department representative was asked what type of MA coverage Petitioner was previously receiving

prior to the processing of the FAP redetermination and the updated income in order to assess whether the closure was appropriate. Initially, the Department representative testified that Petitioner was approved for MA under the HMP but later, stated that Petitioner had been receiving MA under an SSI-related Group 2 MA program that was subject to a monthly deductible. The Department testified that Petitioner's monthly deductible was \$0 and that after updating the income information for her MA case, she had excess income for the Group 2 category. The Department's testimony is not supported by any Department policy however, as an increase in income for a Group 2 category would result in a higher monthly deductible and not a closure due to excess income. Additionally, although the Department representative testified that Petitioner received monthly spousal support and income from her part time employment at ██████████ the Department could not explain any income calculation.

Petitioner testified that she is 50 years old and although she has medical conditions, has not been determined disabled by a state or federal agency. Petitioner testified that she files a joint tax return with her spouse, who currently resides in a nursing home. Petitioner testified that her 20 year old daughter was claimed as a tax dependent on the household tax return for the previous year; however, it was unknown whether the daughter would be claimed as a tax dependent for the current year filing. Petitioner's testimony as to Social Security income was unclear. Petitioner stated that her husband receives monthly Social Security benefits that he gives to her; however, it was unknown whether both Petitioner and her spouse each have their own separate Social Security benefits issued through the Social Security Administration. Petitioner testified that she is employed on an as needed basis as a reserve worker and works up to 20 hours per month.

The Department's evidence failed to establish that Petitioner was ineligible for MA under all categories effective August 1, 2025. Thus, the Department is to redetermine Petitioner's MA eligibility under all MA categories.

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 did not act in accordance with Department policy when it determined that Petitioner was ineligible for MA benefits under all categories effective August 1, 2025.

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 under the most beneficial category for August 1, 2025, ongoing;

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2. If eligible, provide Petitioner with MA coverage under the most beneficial category, that she was entitled to receive but did not from August 1, 2025, ongoing; and
 3. Notify Petitioner in writing of its decision.

Zainab Baydoun

**ZAINAB A BAYDOUN
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.

