



Date Mailed: January 5, 2026
Docket No.: 25-039740
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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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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Docket No.: 25-039740

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 telephone on December 18, 2025. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Jacob Frankmann, Assistance Payments Supervisor. Translation services were provided by Peter Chona, an independent English-Arabic translator engaged by the Department.

ISSUE

Did the Department properly determine Petitioner's and his spouse's Medicaid (MA) 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 and his spouse, [REDACTED] (Spouse), are both over [REDACTED] years of age, married, and live in [REDACTED]. (Exhibit A, pp. 1, 7 – 8).
1. Petitioner receives Retirement, Survivors, and Disability Insurance (RSDI) income of \$ [REDACTED] per month. Spouse receives RSDI income of \$ [REDACTED] per month. (Exhibit A, p. 19).
2. On September 15, 2025, the Department received a completed application from Petitioner for MA coverage and other assistance for himself and Spouse. Petitioner reported that the household had \$ [REDACTED] in income and that he and Spouse had medical expenses, but no dependent care or court ordered expenses. (Exhibit A, pp. 6 – 15).
3. On September 22, 2025, the Department received documents related to medical bills incurred by Petitioner and/or Spouse, including bills from August 24, 2025 to September 16, 2025.

4. On October 24, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that:

- a. Approved Petitioner and Spouse each for Plan First Family Planning (PFFP) MA effective June 1, 2025, and MA subject to a deductible of \$1,424 per month effective September 1, 2025;
- b. Approved Petitioner for Medicare Savings Program (MSP) benefits effective December 1, 2025; and
- c. Denied Spouse MSP benefits effective December 1, 2025, because she was eligible in another case.

(Exhibit A, pp. 26 – 27).

5. On October 30, 2025, the Department received a request for hearing from Petitioner disputing the Department's determinations regarding Petitioner's and Spouse's MA. (Exhibit A, pp. 3 – 5).

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 approval of Petitioner and Spouse for MA subject to a deductible instead of full coverage MA. The Department testified that Petitioner and Spouse were each approved for Group 2 Aged, Blind, and Disabled (G2S) MA with a monthly deductible of \$1,424 effective September 1, 2025, and PFFP MA effective June 1, 2025.

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 categories 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

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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; BEM 124 (July 2023), p. 1. Because Petitioner and Spouse are each over age 65 and not the caretaker of a minor child, each are eligible for MA under only SSI-related categories.

Based on Petitioner's and Spouse's circumstances, they were each potentially eligible for AD-Care MA. The AD-Care program is a Group 1, full-coverage, SSI-related MA program for individuals who are income-eligible based on their MA fiscal group size. BEM 163 (July 2017), p. 1. Net income for this program cannot exceed 100% of the Federal Poverty Level (FPL) for the fiscal group size. BEM 163, p. 1. For SSI-related MA purposes, married adults are a fiscal group size of two. BEM 211 (October 2023), p. 8. Because Petitioner and Spouse are married, they are each a fiscal group of two and, as such, to be income eligible for this program, their fiscal group's monthly income would have had to be \$1,763 or less. RFT 242 (April 2025).

In this case, there was no dispute that Petitioner receives \$ [REDACTED] in RSDI income, and Spouse receives \$ [REDACTED] in RSDI income, each month. When determining an individual's MA eligibility, the total gross amount of the group's RSDI is counted as unearned income but, for purposes of SSI-related MA, is reduced by \$20 to determine the net unearned income. BEM 503 (July 2025), pp. 30 – 32; BEM 530 (April 2020), pp. 1 – 4; BEM 541 (January 2025), p. 3; BEM 163. Petitioner's and Spouse's total individual fiscal group's RSDI income of \$ [REDACTED], reduced by \$20, equals \$ [REDACTED] in SSI-related net income.

Petitioner and Spouse, who do not have earned income, expenses related to non-SSI children, or a court-appointed guardian and/or conservator, are not eligible for any additional deductions. BEM 541, pp. 1, 3. Therefore, Petitioner's and Spouse's individual countable SSI-related net income remained \$ [REDACTED] for each of them. Because that is more than the \$1,763 limit for AD-Care MA for their two-person fiscal group, the Department properly determined that Petitioner and Spouse were not eligible for AD-Care MA.

Clients who are ineligible for full-coverage MA coverage because of excess income may still be eligible for G2S MA, an SSI-related MA program which provides for MA coverage with a monthly deductible. BEM 105, p. 1. The deductible for G2S MA is equal to:

- a) the amount of the individual's SSI-related net income,
- b) minus allowable needs deductions set forth in BEM 544, and
- c) minus the applicable Group 2 MA protected income level (PIL).

BEM 166 (April 2017), p. 2; BEM 541, pp. 1, 3 – 4; BEM 544 (January 2020), pp. 1 – 4.

The PIL is a set allowance for non-medical need items such as shelter, food, and incidental expenses that is based on the county in which the client resides and the client's fiscal MA group size. BEM 544, p. 1. The PIL for Oakland County, where Petitioner and Spouse reside, is \$541 for a two-person fiscal group. RFT 200 (April 2017), p. 3; RFT 240 (December 2013).

The Department presented a budget to demonstrate how Petitioner's and Spouse's G2S MA deductible was calculated. (Exhibit A, p. 21). From their individual SSI-related net income of \$ [REDACTED], as discussed above, the Department subtracts allowable needs deductions, consisting of health insurance premiums of the MA recipient and remedial services for residents of adult foster care (AFC) or homes for the aged (HA). BEM 544, pp. 1 – 2.

There was no dispute that Petitioner's individual Medicare Part B premium was \$83, Spouse's Medicare Part B premium was paid through MSP, and that neither Petitioner nor Spouse lived in AFC or HA or paid any other health insurance premiums. The record established that the Department properly deducted \$83 from each of their individual net incomes, which reduced their individual countable incomes to \$ [REDACTED]. The Department explained that it then reduced their individual countable incomes by their \$541 PIL, which left \$ [REDACTED]. This amount becomes the deductible amount.

Although Petitioner asserted that he and Spouse have ongoing medical expenses, the Department testified that on September 22, 2025, Petitioner provided documents that established:

- a. Petitioner incurred a one-time medical expense on August 24, 2025,
- b. Spouse incurred two one-time medical expenses from September 4 to September 6, 2025, and
- c. Petitioner or Spouse incurred one potential medical expense on September 16, 2025, but the information was insufficient for the Department to evaluate the expense.

However, there was no evidence that the medical expenses were equal to or exceeded Petitioner's or Spouse's individual excess income, that Petitioner or Spouse received personal care services as identified in Department policy, or that either were in long-term care (LTC). BEM 545 (July 2022), pp. 1 – 14.

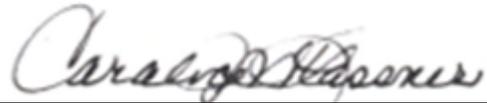
Thus, the evidence and testimony established that the Department applied all allowable deductions to Petitioner's and Spouse's income in accordance with policy when it determined their individual MA eligibility. Therefore, the Department properly approved Petitioner and Spouse each for MA subject to a monthly deductible of \$1,424.

DECISION AND ORDER

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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 and Spouse were each eligible for MA subject to a monthly deductible of \$1,424.

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://irs.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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Via Electronic Mail:

Respondent
OAKLAND COUNTY DHHS -
SOUTHFIELD DIST
25620 W 8 MILE RD
SOUTHFIELD, MI 48033
**MDHHS-OAKLAND-6303-
HEARINGS@MICHIGAN.GOV**



Via First Class Mail:

Petitioner

[Redacted]
[Redacted]
[Redacted] MI [Redacted]