

## **ISSUE**

Did the Department properly determine Petitioner's Medicaid 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 is disabled.
2. Petitioner has Medicare coverage.
3. Petitioner is a resident of REDACTED.
4. Petitioner is not married.
5. Petitioner lives with his child.
6. On REDACTED 2025, Petitioner applied for Medicaid coverage. In Petitioner's application, Petitioner reported that he was receiving REDACTED per month from Social Security RSDI, and Petitioner reported that his child was receiving REDACTED per month.
7. In 2026, Petitioner and his child stopped receiving Social Security RSDI benefits.
8. Petitioner does not have any income.
9. On January 26, 2026, Petitioner submitted statements from the Social Security Administration to the Department showing that Petitioner and his child owe the Social Security Administration for an overpayment.
10. On January 30, 2026, the Department mailed a health care coverage determination notice to Petitioner to notify Petitioner that he was eligible for Medicaid with a monthly deductible of \$1,091.00 per month, effective January 1, 2026.
11. Petitioner requested a hearing to dispute the Department's decision.

## **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).

Medicaid is known as Medical Assistance (MA). The 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 administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, Petitioner requested a hearing to dispute his Medicaid coverage because the Department found Petitioner eligible for Medicaid with a monthly deductible, and Petitioner wants full-coverage Medicaid. The issue is whether the Department properly determined that the best Medicaid coverage that Petitioner was eligible for was Medicaid with a monthly deductible.

Full-coverage Medicaid is available to eligible individuals through the Healthy Michigan Plan. In order for a client to be eligible for full-coverage Medicaid through the Healthy Michigan Plan, the client must not be qualified for Medicare coverage. BEM 137 (January 1, 2024), p. 1. Petitioner was qualified for Medicare coverage, so the Department properly determined that Petitioner was ineligible for full-coverage Medicaid through the Healthy Michigan Plan.

Full-coverage Medicaid is also available to eligible individuals through the AD Care program. In order for a client to be eligible for full-coverage Medicaid through the AD Care program, the client must be aged or disabled, and the client's group's net income must not exceed 100% of the Federal Poverty Level (FPL). BEM 163 (July 1, 2017), pp. 1-2. For AD Care, the client's group size consists of the client and the client's spouse. BEM 211 (December 1, 2025), p. 8. In this case, Petitioner's group size consisted of one because Petitioner does not have a spouse. The FPL for a group size of one in 2025 was \$15,650.00. 91 FR 1798 (January 15, 2026). The applicable FPL is equal to a monthly income of \$1,304.16.

At the time that Petitioner applied for Medicaid coverage, Petitioner was receiving income from Social Security RSDI, and the Department determined that Petitioner's countable income exceeded the applicable limit to be eligible for full-coverage Medicaid through the AD Care program. When group members receive income from Social Security RSDI, the gross amount received from Social Security RSDI is countable. BEM 163 at 2. However, \$20.00 is disregarded from unearned income such as Social Security RSDI income. BEM 541 (January 1, 2026), p. 3. In this case, Petitioner reported that he was receiving REDACTED per month from Social Security RSDI. After the \$20.00 disregard, the countable amount of his Social Security RSDI was REDACTED per month.

Since Petitioner reported that he was receiving REDACTED per month from Social Security RSDI, and since only \$20.00 is disregarded from Social Security RSDI, the Department properly determined that Petitioner's countable income exceeded the applicable limit to be eligible for full-coverage Medicaid through the AD Care program. Thus, the Department properly determined that Petitioner was ineligible for full-coverage Medicaid. However, Petitioner provided credible and un rebutted testimony that he no

longer receives any income. Since Petitioner does not receive any income, Petitioner's income is now less than the applicable income limit for full-coverage Medicaid through the AD Care program. The Department is currently in the process of redetermining Petitioner's Medicaid eligibility, so no further action is necessary.

Petitioner also had a dispute concerning his Food Assistance Program (FAP) benefits, but Petitioner's dispute has been resolved by the Department, so I will not address it. The Department closed Petitioner's FAP benefits, effective February 1, 2026, due to a problem with verifications, but then the Department reinstated Petitioner's FAP benefits, effective February 1, 2026. The Department reinstated Petitioner's FAP benefits on March 17, 2026. The Department found Petitioner eligible for a FAP benefit amount of \$546.00 per month, which is the maximum FAP benefit amount for a group size of two. Since the Department reinstated Petitioner's FAP benefits and found Petitioner eligible for the maximum FAP benefit amount for his group size, Petitioner's dispute concerning his FAP benefits has been resolved.

### **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 its policies and the applicable law when it determined Petitioner's Medicaid eligibility.

**IT IS ORDERED** that the Department's decision is **AFFIRMED**.