

---

**DEPARTMENT  
POLICY****MA Only**

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. Medicaid is also known as Medical Assistance (MA). The Medicaid program comprise several sub-programs or categories. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled.

Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MICHild and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology.

**GROUP 1 AND  
GROUP 2**

In general, the terms Group 1 and Group 2 relate to financial eligibility factors. For Group 1, net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. The income limit, which varies by category, is for nonmedical needs such as food and shelter. Medical expenses are not used when determining eligibility for MAGI-related and SSI-related Group 1 categories.

For Group 2, eligibility is possible even when net income exceeds the income limit. This is because incurred medical expenses are used when determining eligibility for Group 2 categories. Group 2 categories are considered a limited benefit because a deductible is possible.

**BEM 110 THROUGH  
174**

BEM 110 through 174 describe all of the MA categories and the eligibility factors for each category. BEM 110 through 145 describe the MAGI-related and Group 2 categories.

BEM 150 is for SSI recipients and certain former SSI recipients. BEM 155 through 174 describe SSI-related categories. EXHIBIT I - LIST OF ALL SSI-Related MA CATEGORIES.

**Note:** Certain non-Medicaid medical programs are described in various BEM 600 series items. Some of these programs are administered by MDHHS local offices and some are administered by MDHHS/Medical Services Administration (MSA).

## MONTHLY DETERMINATIONS

Medicaid eligibility is determined on a calendar month basis. Unless policy specifies otherwise, circumstances that existed, or are expected to exist, during the calendar month being tested are used to determine eligibility for that month.

When determining eligibility for a future month, assume circumstances as of the processing date will continue unchanged unless you have information that indicates otherwise.

## CHOICE OF CATEGORY

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility, the least amount of excess income or the lowest cost share.

**Note:** Persons may receive both Medicare Savings Program benefits (BEM 165) and coverage under another MA category; see **Medicare Savings Program** in this item.

However, clients are not expected to know such things as:

- Ineligibility for a FIP grant does not mean MA coverage must end.
- The LIF category is usually the most beneficial category for families because families who become ineligible for LIF may qualify for TMA or Special N/Support.
- The most beneficial category may change when a client's circumstances change.

Therefore, you must consider all the MA category options in order for the client's right of choice to be meaningful.

---

## Medicare Savings Program

A person entitled to Medicare Part A, Hospital Insurance, may be eligible for a Medicare Savings Program described in BEM 165. The person may be eligible for just a Medicare Savings Program or a Medicare Savings Program in addition to regular MA benefits.

See BEM 165 about when to do an eligibility determination for Medicare Savings Programs.

## APPLICATION/ RENEWAL FORMS

The DCH-1426, Application for Health Coverage & Help Paying Costs, is used for all Medicaid categories.

- The DHS-4574, Medicaid Application (Patient of Nursing Facility), is completed by LTC patients. This application is used to determine MA eligibility for the LTC patient only.
- The DHS-1010, Redetermination is a Bridges generated form that is sent at the time of an annual renewal.
- The DHS-1004, Health Care Coverage Supplemental Questionnaire, is used to gather additional information when the applicant indicates a disability on the DCH-1426.

To apply online see the [Michigan Department of Health and Human Services \(MDHHS\) website/Online Services/MI Bridges Apply for Assistance & Manage Your Account](#).

## MAGI-Related Medicaid

The following categories are considered MAGI related groups.

- Pregnant Women (PW, MOMS).
- Infants and Children under age 19 (LIF, Newborn, HK1, OHK, HKE, MICHild).
- Parents and caretaker relatives (PCR, LIF).
- Adult Group age 19-64 (HMP).
- Former Foster Care Children (FCTM).

**Non-MAGI  
Medicaid****Full Coverage**

- Transitional Medicaid Assistance (TMA).
- Special N Support (SNS).
- Refugee Medical Assistance (RMA).

**Non-MAGI  
Medicaid****Limited Coverage**

- Group 2 Pregnant Women (G2P).
- Group 2 Under 21 (G2U).
- Group 2 Caretaker Relative (G2C, G2S).

**SSI-RELATED MA  
PRIORITY**

1. BEM 150 addresses MA for SSI recipients and persons appealing an SSI disability termination. The other SSI-related categories must be considered in the following order: BEM 154, Special Disabled Children
2. Special categories:
  - BEM 157, Early Widow(er)s.
  - BEM 158, Disabled Adult Children (DAC)
3. BEM 155, 503 Individuals.
4. BEM 170, 171, or 172 Home Care or Children's Waiver, SED Waiver. BEM 163, AD-Care.
5. BEM 164, Extended-Care and BEM 165, Medicare Savings Programs (QMB, SLMB).
6. BEM 166, Group 2 Aged, Blind and Disabled and BEM 165, Medicare Savings Programs (QMB, SLMB).
7. BEM 169, Qualified Disabled Working Individuals.
8. BEM 165, Additional Low-Income Medicare Beneficiaries (ALMB).
9. BEM 174, Freedom to Work.

The determinations for Medicare Savings Programs and Extended-Care or Group 2 are separate; see BEM 165.

**Note:** BEM 173, Breast and Cervical Cancer Prevention and Treatment Program, is not listed because MDHHS local office does not determine eligibility for this program. BCCPTP eligibility is determined by MDHHS/MSA.

## FIP AND SSI TERMINATIONS

Most terminations of FIP or SSI benefits must include an evaluation of MA eligibility. See BEM 110, Low Income Family (LIF) for FIP terminations and BEM 150 for SSI terminations.

## MA-ONLY TERMINATIONS

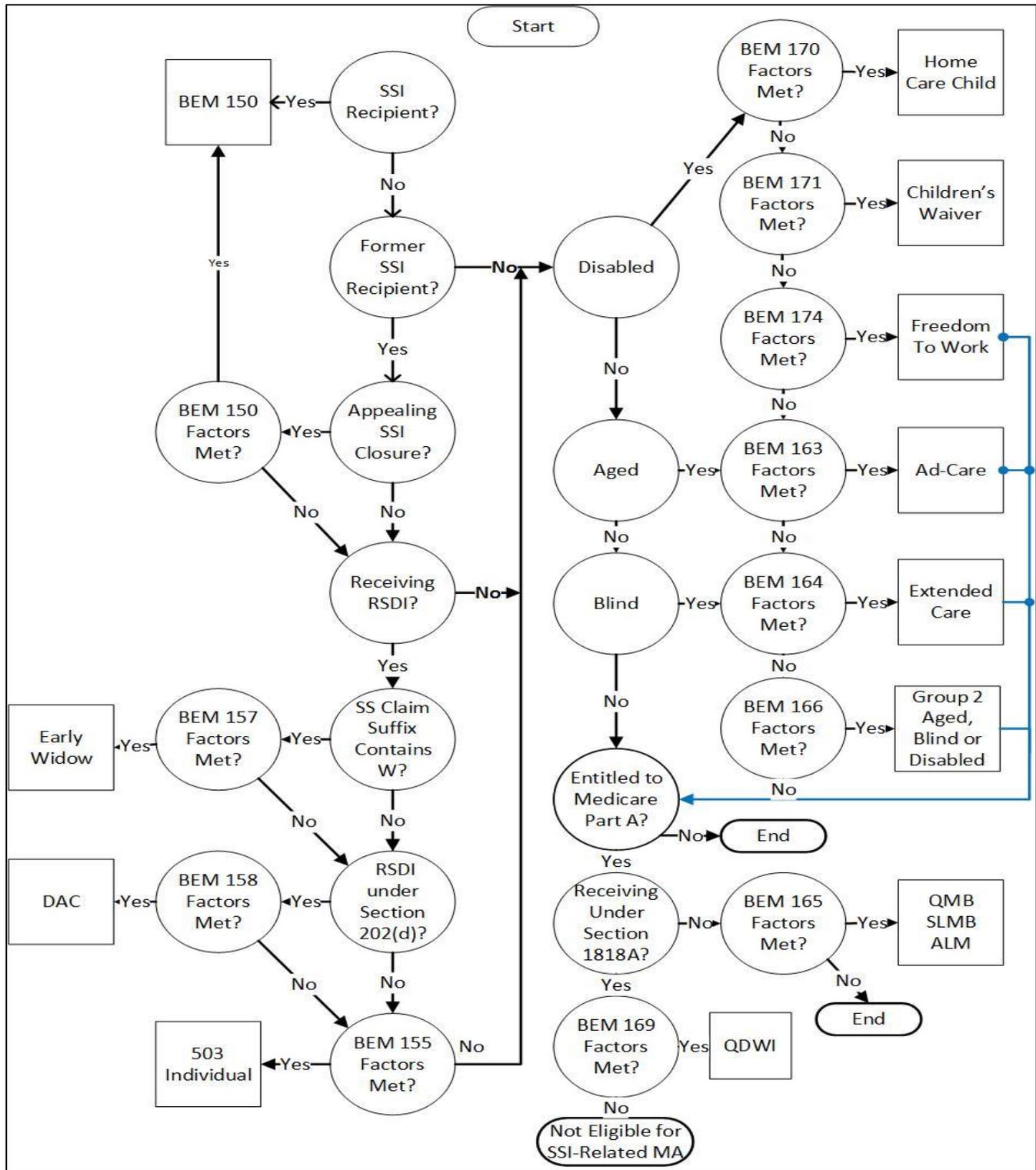
**Note:** An ex parte review (see glossary) is required before Medicaid closures when there is an actual or anticipated change, unless the change would result in closure due to ineligibility for all Medicaid. When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. The review includes consideration of all MA categories; see BAM 115 and 220.

Consider eligibility under all other MA-only categories before terminating benefits under a specific category. In addition, when Group 1 eligibility does not exist but all eligibility factors except income are met for a Group 2 category, activate deductible status; see BEM 545.

**Exception:** Close the case when benefits are terminating:

- For Medicare Savings Programs-only (BEM 165).
- For QDWIs (BEM 169).

EXHIBIT I - SSI-RELATED MA CATEGORIES



LEGAL BASE

MA

Social Security Act, Sections 1902 and 1905  
42 CFR Part 435

MCL 400.106

The Affordable Care Act of 2010 is the collective term for the Patient Protection and Affordable Care Act (Pub. L. 111-148) and the Health Care and Education Reconciliation Act (Pub. L. 111-152).