

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],  
Claimant

Reg. No.: 2008-27861  
Issue No.: 2021  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date:  
June 22, 2009  
Wayne County DHS (18)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant request for hearing received by the Department on August 4, 2008. After due notice, a telephone hearing was conducted from Detroit, Michigan on June 22, 2009. The Claimant appeared and testified, along with [REDACTED]. [REDACTED] appeared on behalf of the Department.

ISSUES

Whether the Department properly denied the Claimant's Medical Assistance ("MA") and State Disability Assistance ("SDA") application due to excess assets?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material and substantial evidence on the whole record, finds as material fact:

1. On April 1<sup>st</sup> and April 22, 2008, the Claimant submitted applications for public assistance. (Exhibit 1, pp. 9 – 18, 34 – 41)

2. In response, the Department sent, in part, a request for asset verification. (Exhibit 1, p. 42)
3. The Claimant submitted personal and business account information as well as titles to vehicles/watercraft(s). (Exhibit 1, pp. 43 – 64, 70 – 78)
4. On April 14, 2008, the Medical Review Team (“MRT”) deferred the disability determination in order for additional medical records to be submitted. (Exhibit 2)
5. On May 21, 2008, the MRT found the Claimant disabled for purposes of the MA-P and SDA programs. (Exhibit 2)
6. On June 24, 2008, the Department notified the Claimant that his SDA benefits would cancel effective July 1, 2008 due to excess income. (Exhibit 1, p. 105)
7. On June 26, 2008, the Department ran a Secretary of State clearance in order to determine the value of the Claimant’s assets. (Exhibit 1, pp. 81 – 90)
8. The Claimant’s SDA benefits cancelled effective July 8, 2008. (Exhibit 1, pp. 3, 106)
9. On July 18, 2008, the Department notified the Claimant that his MA-P benefits would terminate effective July 30, 2008 due to excess assets. (Exhibit 1, p. 5)
10. On July 24, 2008, the Department received the Claimant’s written request for hearing, protesting the negative action. (Exhibit 1, p. 5)
11. On August 11, 2008, the Department discovered an error in the SDA closure and recalculated the Claimant’s eligibility. (Exhibit 1, p. 108)
12. On August 11<sup>th</sup>, the Department sent the Claimant notification that his SDA benefits would remained cancelled due to excess assets. (Exhibit 1, p. 109)

CONCLUSIONS OF LAW

The Medical Assistance (“MA”) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (“CFR”). The Department of Human Services, formally known as the Family Independence Agency, administers the MA program pursuant to MCL 400.10, *et seq* and MCL 400.105. Department policies are found in the Program Administrative Manual (“PAM”), the Program Eligibility Manual (“PEM”), and the Program Reference Manual (“PRM”).

Assets must be considered in determining MA eligibility. PEM 400 Assets are cash and any other personal and/or real property. *Id.* Countable assets must be available and cannot exceed the applicable asset limit. PEM 400 Available means that someone in the asset group has the legal right to use or dispose of the asset. PEM 400

In the record presented, the Claimant acknowledged that at the time of the MA-P and SDA closures, his assets were approximately \$32,000.00 which were well in excess of the applicable limits. Although the Department initially terminated the SDA benefits due to excess income, at the time of the closure, the Claimant was not eligible for benefits due to excess assets. Recognizing the Claimant’s financial situation has since changed, this decision is based upon the facts presented at the time of closure. Ultimately, the Department properly denied the Claimant’s MA-P and SDA benefits due to excess assets. Accordingly, the Department’s determinations are AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department established it acted in accordance with Department policy when it terminated the Claimant’s MA-P and SDA benefits due to excess assets.

Accordingly, it is ORDERED:

The Department's determinations are AFFIRMED.

/s/

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Colleen M. Mamelka  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 06/24/09

Date Mailed: 06/24/09

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

CMM/jlg

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