

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: 2009-5931
Issue No: 2021
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
October 13, 2009
St. Joseph County DHS

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on Tuesday, October 13, 2009. The claimant and his authorized representative, [REDACTED] [REDACTED], were present via three-way telephone conference.

ISSUE

Did the department properly deny the claimant's application for Medical Assistance based upon its determination that the claimant had excess assets?

FINDINGS OF FACT

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

(1) On April 17, 2008, the claimant applied for Medical Assistance, which was approved by the Medical Review Team on May 27, 2008 with retroactive Medical Assistance to January 2008.

(2) On May 30, 2008, the department caseworker sent the claimant and his authorized representative a Verification Checklist, DHS-3503, requesting verification of assets for the months of January, February, and March 2008. (Department Exhibit 12)

(3) On August 6, 2008, the department caseworker ran retroactive MA budgets, resulting in a denial for March 2008 due to excess assets. The claimant was approved for January 2008 and February 2008.

(4) On August 6, 2008, the department caseworker counted [REDACTED] in excess assets based on a checking account of [REDACTED] (Department Exhibit 7-8) and a savings account of [REDACTED] (Department Exhibit 9) to determine that the claimant had excess assets for the month of March 2008 that would make him ineligible for retroactive Medical Assistance for the month of March 2008. (Department Exhibit 2-6)

(5) On August 6, 2008, the department caseworker sent the claimant and his authorized representative an Application Denial Notice stating that the claimant's Medical Assistance was denied for March 2008 due to excess assets. (Department Exhibit 1)

(6) On October 30, 2008, the department received a hearing request from the claimant's authorized representative, contesting the department's negative action.

(7) During the hearing, the claimant testified that from January to May 2008 that he was a student at [REDACTED] where he was not employed and had not received any family gifts. The claimant testified that the money in his checking account was his escrow savings of [REDACTED] of prior work earned income, past savings, and some student loan money which had been commingled with other funds. The claimant testified that the [REDACTED] in his savings account was exclusively from student loans and had not been commingled with other money.

(8) The parties have reached an agreed settlement to resolve the dispute. The department agrees to include the assets in the savings account since this has not been commingled with other funds and is exclusively student loans, but count the assets in the checking account, which is [REDACTED] and less than the \$2,000 asset limit for Medical Assistance. The department agrees to reprocess the claimant's March 2008 retroactive Medical Assistance application and determine eligibility.

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 (DHS or department) 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).

In the present case, the parties have reached an agreed settlement to resolve the dispute. The department agrees to include the assets in the savings account since this has not been commingled with other funds and is exclusively student loans, but count the assets in the checking account, which is [REDACTED] and less than the \$2,000 asset limit for Medical Assistance. The department agrees to reprocess the claimant's March 2008 retroactive Medical Assistance application and determine eligibility. If the claimant does not agree with the determination, he may file another request for a hearing.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the parties have reached an agreed settlement. The department is

ORDERED to reprocess the claimant's retroactive Medical Assistance application for March 2008 and determine eligibility, if it has not already done so.

/s/
Carmen G. Fahie
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: November 16, 2009

Date Mailed: November 17, 2009

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 mailing 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.

CGF/vmc

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