

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: 2009-30507  
Issue No: 2021  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
October 28, 2009  
Macomb County DHS

ADMINISTRATIVE LAW JUDGE: Robert J. Chavez

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 hearing was held on October 28, 2009.

ISSUE

Was the claimant's Medicaid application properly denied for 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 1, 2009, claimant applied for Medicaid.
- (2) Upon processing the application, it was determined that claimant had several countable assets, including bank accounts, money market accounts and certificates of deposit.
- (3) Claimant had an income of \$3400 per month.

- (4) The caseworker determined that claimant was over the asset limit for the Medicaid program for children under 21, and over income for the Healthy Kids program.
- (5) Claimant's application was subsequently denied on June 16, 2009.
- (6) On June 26, 2009, claimant requested a hearing, alleging that her child needed Medicaid for medical conditions.

#### 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) and Reference Tables (RFT).

With regard to the Medicaid eligibility determination, the State of Michigan has set guidelines for assets, which determine if Medicaid group is eligible. An asset is cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees and fences. Personal property is any item subject to ownership that is not real property (examples: currency, savings accounts and vehicles). PEM 400

Countable assets cannot exceed the applicable asset limit; however, not all assets are countable. The asset limit for the program in question was \$3000. The income limit for the program in question was \$2289. Other programs were also considered, but claimant's assets exceeded the eligibility threshold. Countable assets are based on SSI-related MA policy and FIP related Medicaid policy contained in the Program Eligibility Manual.

Upon testimony, the claimant did not dispute the amount of available assets in her bank accounts. Claimant had assets totaling over \$10,000 distributed in money market accounts, certificates of deposit, and checking accounts.

The Administrative Law Judge has reviewed the regulations and has seen no exception to the asset counting rules that could exclude these assets. Therefore, they must be counted in the final total.

As claimant herself admitted that she owns assets totaling above \$10,000, and that the asset limit is \$3,000, the Administrative Law Judge sees no choice but to affirm the Department's decision.

Claimant also exceeded income eligibility; the income limit set by policy for the program in question was \$2289, and claimant had income totaling roughly \$3400 per month. The undersigned notes that these are bright line limits—any amount above these limits results in automatic ineligibility, and thus, these cases can only be disputed in terms of whether or not sources of income and assets should be counted. In the current case, claimant admits that the income is from a countable source (employment), and that the assets are of the types that are countable.

Claimant did argue that the child in question was in medical need with respect to medical bills rising from claimant's child's serious medical condition. The undersigned is sympathetic to claimant's argument; however, the Administrative Law Judge has no jurisdiction to overturn the asset and income limits. Such a decision is a decision decided by the various legislatures and elected leaders of this country. The undersigned has no power to overrule such laws.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department was correct when it determined claimant assets and income exceeded the asset and income limits for the Medicaid program.

Accordingly, the Department's decision in the above stated matter is, hereby,  
AFFIRMED.



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Robert J. Chavez  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 12/17/09

Date Mailed: 12/21/09

**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 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.

RJC/dj

cc:

