

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: 2009-5993  
Issue No: 2006  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
July 9, 2009  
Macomb County DHS (36)

ADMINISTRATIVE LAW JUDGE: Lawrence E. Hollens

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 received by the Department on October 27, 2008. After due notice, a telephone hearing was conducted from Sterling Heights, Michigan on July 9, 2009. The claimant, [REDACTED], appeared and testified. The claimant's sister, [REDACTED], appeared and testified. Patricia Bailey appeared on behalf of the Department.

ISSUE

Whether the Department properly denied the claimant's request for Medicaid?

FINDINGS OF FACT

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

- (1) On August 29, 2008, the Department mailed out a verification form which was due on September 9, 2008.
- (2) The verification form was extended until October 2, 2008.

(3) On September 5, 2008, a verification of assets was sent and the return of that information occurred on September 8, 2008.

(4) On October 17, 2008, the Department issued a DHS 20 indicating that the claimant's total assets, based upon the reports from the various entities, were \$3,409.00.

(5) As a consequence of the claimant's asset level, the Department mailed out a DHS 440 indicating that the claimant's assets were too high for Medicaid.

#### CONCLUSIONS OF LAW

The Medical Assistance Program is established by Subchapter 19 of Chapter 7 of the Public Health and Welfare Act 42 USC 1397, administered by the Department of Human Services, formerly known as the Family Independence Agency, 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). Clients must cooperate with the local office in determining initial amount Medicaid eligibility to include the conclusion of the necessary forms.

The claimant did have the necessary forms completed and verified by the bank as well as the accountant involved in the business operated by the claimant's family.

A review of those assets disclosed that the claimant had \$30,409 in total assets at the time of her application.

During the hearing, the claimant indicated that the asset amounts were incorrectly reported by the accountant and should have been in the neighborhood of \$7,000 rather than the \$30,000 that had previously been reported.

The claimant was told that the asset level of materiality was \$3,000 rather than either the \$30,000 amount relied upon previously by the Department or the \$9,500 that the claimant believes was more appropriate based upon the accounting reporting error.

Under this scenario, the Department has established it acted in accordance with Department policy when it denied the claimant's application. Accordingly, the Department's denial is affirmed.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department's denial of the claimant's application is upheld.

Accordingly, it is ordered that the Department's denial of the claimant's application is **AFFIRMED**.

/s/ \_\_\_\_\_  
Lawrence E. Hollens  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 08/04/09

Date Mailed: 08/19/09

**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.

LEH/kj

cc:

