

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: 2010-21204  
Issue No: 2010; 2009;4031  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
August 4, 2010  
Eaton County DHS

ADMINISTRATIVE LAW JUDGE: Jay W. Sexton

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 August 4, 2010. Claimant personally appeared and testified under oath.

The department was represented by Jacqueline Washington (FIM).

The Administrative Law Judge appeared by telephone from Lansing.

ISSUE

Did the department correctly deny claimant's MA-P/SDA application due to excess assets (checking account and IRA)?

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 November 30, 2009, claimant applied for MA-P/SDA. The asset limit at the time of claimant's application (group size of two) was \$3,000.

(2) The caseworker requested financial records to verify claimant's asset eligibility.

(3) Claimant submitted his financial records in a timely fashion. They show the following countable assets: checking account at [REDACTED] and [REDACTED] at [REDACTED]. Exact amounts unknown.

(4) The caseworker subsequently denied claimant's MA-P/SDA due to excess assets. The exact denial date is unknown. The caseworker sent claimant a written notice of denial. The exact date of the negative action notice is unknown.

(5) On January 28, 2010 claimant requested a hearing.

#### 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).

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Current Medicaid regulations require that the department determine an MA-P/SDA applicant's asset level to determine if claimant's MA-P/SDA assets fall within the \$3,000 asset limit. PEM/BEM 400 and PAM/BAM 105, 400. The department did not meet its burden of proof to establish that its denial of claimant's application is correct for the following reasons:

- (a) The department did not establish that a proper negative action notice was ever sent.
- (b) The department did not submit corroborating evidence to show that claimant had excess assets at the Marshall Credit Union for MA-P/SDA purposes.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department incorrectly denied claimant's November 30, 2009 application.

Accordingly, the department's denial of claimant's MA-P/SDA application is hereby, REVERSED.

The department will immediately reconsider claimant's MA-P/SDA application and issue appropriate paperwork in a timely fashion if claimants do not meet all MA-P/SDA requirements.

SO ORDERED.

/s/ \_\_\_\_\_  
Jay W. Sexton  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: August 23, 2010

Date Mailed: August 23, 2010

**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.

JWS/tg

cc:

