

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],
Claimant
By: [REDACTED],
Personal Representative

Reg. No: 2010-7983
Issue No: 2021
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
July 13, 2010
Lenawee 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 July 13, 2010 in Adrian. Claimant is deceased. He was represented by his son, who is his personal representative.

The department was represented by Sheila Moore (FIM).

The Administrative Law Judge appeared by telephone from Lansing.

ISSUE

Did the department correctly deny claimant's application for Medicaid for May and June 2009, due to 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) Claimant is an MA applicant for May and June 2009. Claimant died on March 9, 2010.

(2) Claimant is represented by his son, who is the claimant's personal representative by [REDACTED] on [REDACTED].

(3) On May 12, 2009, claimant's personal representative applied for Medicaid on claimant's behalf.

(4) On July 1, 2009, the department sent the personal representative a Verification Checklist.

(5) On July 9, 2009, the personal representative verified the claimant's assets. The disputed asset is a [REDACTED] life insurance policy with a cash value of \$1,804. (The personal representative did not discover the [REDACTED] policy until June 28, 2009.)

(6) The department prepared an eligibility budget showing countable assets of \$2,811 in May and \$2,788 in June 2009.

(7) On August 4, 2009, the department denied claimant's MA application for May and June 2009 due to excess assets above the \$2000 limit.

(8) Claimant's representative disputes the department's denial of benefits because he did not have an opportunity to spend-down claimant's life insurance policy in order to become eligible in May of 2009.

(9) The MA asset limit for May and June 2009 was \$2,000.

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 Medicaid program provides medical insurance for low income persons. The asset policy is found in PEM/BEM 400. To determine MA eligibility, the caseworker must calculate total value of claimant's countable assets, including cash value of any life insurance policy which is held in claimant's name. Claimant's total countable assets exceed the applicable MA asset limit of \$2,000 for months in question.

The preponderance of the evidence in the record shows that in May and June 2009, claimant had excess assets totaling \$2,811 and \$2,788 respectively. The disputed asset is the [REDACTED] life insurance policy with a cash value of \$1,804. The department's policy requires the [REDACTED] life insurance policy to be counted as an asset for of MA eligibility purposes.

Based on the Verification Checklist provided by claimant's personal representative, the department correctly concluded that claimant's assets in May (\$2,811) and June (\$2,786) exceeded the \$2,000 MA asset limit.

Based on this analysis, claimant was not eligible for MA benefits in May and June 2009 based on excess assets.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department correctly calculated claimant's MA eligibility and correctly denied claimant's request for MA coverage in May and June 2009 based on assets in excess of the \$2,000 limit.

Therefore, the department's actions are, hereby, AFFIRMED.

SO ORDERED.

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

Date Signed: July 29, 2010

Date Mailed: July 30, 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:

