

STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2011-24708  
Issue No.: 2021  
Case No. [REDACTED]  
Hearing Date:  
April 18, 2011  
Oakland County DHS

**ADMINISTRATIVE LAW JUDGE:** Michael J. Bennane

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; MSA 16.409 and MCL 400.37; MSA 16.437 upon the Claimant's request for a hearing. After due notice a telephone hearing was held on April 18, 2011. The Claimant was represented by his Authorized Representative, [REDACTED]

**ISSUE**

Did the department properly deny the claimant's MA and retroactive MA applications?

**FINDINGS OF FACT**

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

1. On [REDACTED], the claimant applied for MA and retroactive MA.
2. On [REDACTED], the department denied the claimant's MA and retro MA applications, finding that his assets were above the \$2,000.00 limit.
3. On [REDACTED], the claimant, through his AR, filed for 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 (formerly known as the Family Independence Agency) 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 Department relies on PEM 400 which says in part:

- For all other SSI-related MA categories, the asset limit is:
- \$2,000 for an asset group of one.
  - \$3,000 for an asset group of two. (BEM 400, pp. 4-5)

In the instant case, the department claimed that the claimant owned a life insurance policy valued in excess of the above asset limit. At the hearing the claimant's AR testified that the life insurance policy had been cashed in and the proceeds spent on nursing home expenses.

## DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, **REVERSES AND ORDERS** the department to accept documentation of the expenditure of the assets the department claims has placed the claimant over the limit allowed in policy.

  
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Michael J. Bennane  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: June 2, 2011

Date Mailed: June 2, 2011

**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.

MJB/hw

cc:

