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

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	Reg. No.: Issue No.: Case No.: Hearing Date: County:	2011-26525 2021 August 3, 2011 Kalamazoo
ADMINISTRATIVE LAW JUDGE: Carmen G. Fal	nie	
HEARING DECIS	SION	
This matter is before the undersigned Administration and MCL 400.37 following Claimant's request telephone hearing was held on Wednesday, Aug Participants on behalf of Claimant included the cand the claimant's attorney, Participants on behalf (Department) included Research	for a hearing. A gust 3, 2011 from claimant's son and	After due notice, a Lansing, Michigan. d court conservator,) from
ISSUE		
Due to excess assets, did the Department proper close Claimant's case for:	ly ⊠ deny the Cl	aimant's application
☐ Family Independence Program (FIP)? ☐ Medical Assistance (MA)? ☐		Assistance (AMP)? Assistance (SDA)?
FINDINGS OF F	<u>ACT</u>	
The Administrative Law Judge, based on the evidence on the whole record, including the testir fact:		
Claimant ⊠ applied for benefits □ received be	enefits for:	
Family Independence Program (FIP). Medical Assistance (MA).		Assistance (AMP). Assistance (SDA).

2. Due to excess assets, on March 15, 2011, the Department

\boxtimes	denied Claimant's application.
\boxtimes	n March 15, 2011, the Department sent Claimant
	n March 23, 2011, Claimant filed a hearing request, protesting the denial of the application.
	CONCLUSIONS OF LAW
•	rtment policies are found in the Bridges Administrative Manual (BAM), the Bridges ility Manual (BEM), and the Reference Tables Manual (RFT).
	The Adult Medical Program (AMP) is established by 42 USC 1315, and is nistered by the Department pursuant to MCL 400.10, et seq.
Respo 42 US Agend throug	ne Family Independence Program (FIP) was established pursuant to the Personal onsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, SC 601, et seq. The Department (formerly known as the Family Independence cy) administers FIP pursuant to MCL 400.10, et seq., and 1999 AC, R 400.3101 gh Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program tive October 1, 1996.
Secur The D	ne Medical Assistance (MA) program is established by the Title XIX of the Social rity Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). Department (formerly known as the Family Independence Agency) administers the rogram pursuant to MCL 400.10, et seq., and MCL 400.105.
for dis	ne State Disability Assistance (SDA) program, which provides financial assistance sabled persons, is established by 2004 PA 344. The Department (formerly known e Family Independence Agency) administers the SDA program pursuant to MCL 0, et seq., and 2000 AACS, R 400.3151 through Rule 400.3180.
care v 2011, not be grante Nover	ionally, the claimant applied for MA benefits on December 20, 2010 for long term with retro benefits to October 2010. Department Exhibit 13-19. On February 16, the department caseworker received verification that the life insurance policy had een cashed out until January 5, 2011. Department Exhibit 8. The claimant was ed MA from January 2011 forward, but was denied for the months of October, mber, and December 2010 because of the \$3,360.19 cash surrender value of her surance policy, which made her have exess assets for MA benefit qualification.
The in	claimant's son and conservator did try to cash out the life insurance policy on so that his mother could qualifty for benefits. Department Exhibit 6. Insurance company would not allow him to cash out the policy without reviewing the pority of the conservatorship under Michigan law to carry out the transaction.

Department Exhibit 7. The funds were released to the claimant's conservator on Department Exhibit 6.
This Administrative Law Judge finds that department has established by the necessary, competent, material and substantial evidence on the record that it was acting in compliance with department policy when it denied the claimant's December 20, 2010 application for excess assets for the months of October, November, and December 2010. The life insurance company did their due diligence in reviewing the concervatorship before releasing the funds in a reasonable amount of time from the request date to the late release of the funds. The cash surrender value of the life insurance policy was available to the claimant, if not to her son, as conservator without an initial legal review by insurance company.
Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that, due to excess assets, the Department
properly denied Claimant's application improperly denied Claimant's application properly closed Claimant's case improperly closed Claimant's case
for:
DECISION AND ORDER
The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department ☐ did act properly. ☐ did not act properly.
Accordingly, the Department's AMP FIP MA SDA decision is AFFIRMED REVERSED for the reasons stated on the record.
☐ THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:
Carmen G. Fahie Administrative Law Judge For Maura Corrigan, Director Department of Human Services Date Signed: January 11, 2012

Date Mailed: January 11, 2012

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing <u>MAY</u> be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration MAY be granted for any of the following reasons:
- misapplication of manual policy or law in the hearing decision,
- typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
- the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at Michigan Administrative hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

CGF/hw

