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

IN THE MATTER OF:

Reg. No.:   201136578
Issue No.:   2021
Case No.:   ███████
Hearing Date: August 15, 2011
                 Wayne County DHS (82)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on August 15, 2011 from Detroit, Michigan. The claimant appeared and testified; ███████████ appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), ████████, Specialist, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's Medical Assistance (MA) benefit application dated 3/17/11 due to excess assets.

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 3/17/11, Claimant applied for MA benefits.

2. Claimant's only basis for MA benefits was as a disabled individual.

3. On an unspecified date, Claimant submitted to DHS a checking and savings account statement (Exhibit 1) covering the period of 3/2011.

4. The checking account statement verified a lowest balance of $1114.31

5. The savings statement verified a lowest balance of $4379.54

6. On 4/4/11, DHS mailed Claimant a Notice of Case Action informing Claimant of a denial of MA benefits based on excess assets.

7. On 6/7/11, Claimant requested a hearing disputing the denial of MA benefits.

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). DHS administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

The undersigned will refer to the DHS regulations in effect as of 4/2011, the month of the DHS decision which Claimant is disputing. Current DHS manuals may be found online at the following URL: http://www.mfia.state.mi.us/olmweb/ex/html/.

Claimant made several contentions including: that Claimant is a former State of Michigan employee, Claimant is only seeking MA and not cash benefits and that Claimant has a mortgage obligation of over $800/month. None of the above factors are relevant to the DHS determination.

The Medicaid program is comprised of several sub-programs which fall under one of two categories; one category is FIP-related and the second category is SSI-related. BEM 105 at 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant, women receive MA under FIP-related categories. *Id.* It was not disputed that Claimant's basis for MA was one of the SSI-related categories.

The SSI-related MA category asset limit is $2,000 for an asset group of one. BEM 400 at 5. For MA benefits, asset eligibility exists when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. *Id.* at 4.

Claimant submitted a bank statement for 3/2011. It was not disputed that Claimant's lowest checking account balance for 3/2011 was $1114.31 and the lowest balance for

the savings account was $4379.54. The combined lowest balance for the savings and checking accounts was $5493.85; this amount exceeded the MA asset limit of $2,000.
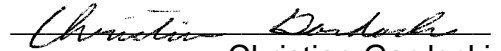
Lump sums and accumulated benefits are income in the month received. BEM 400 at 12. DHS is to not count funds treated as income by a program as an asset for the same month for the same program. *Id.* at 15.

Claimant testified receiving a lump sum payment of $2825.23 from her long term disability payment. Based on the above policy, this is income, not an asset and should not have been counted toward the asset limit. Subtracting the income from the countable assets reduces Claimant's assets to $2668.62. Claimant is still above the asset limit.

Though DHS failed to consider Claimant's lowest balance and failed to exclude Claimant's income from the asset limit, it appears that DHS correctly determined Claimant to have excess assets for MA benefits. Accordingly, it is found that the DHS denial of Claimant's MA benefit application was proper. As discussed during the hearing, Claimant may reapply at any time.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's application dated 3/17/11 for MA benefits. The actions taken by DHS are AFFIRMED.

Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: August 17, 2011

Date Mailed: August 17, 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.

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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.

CG/hw

cc: