

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

IN THE MATTER OF:

[REDACTED]

Reg No: 2011-31008
Issue No: 2021

[REDACTED]

Genesee County DHS-05

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge upon pursuant to MCL 400. 9; MCL 400.37 upon Claimant's request for a hearing. After due notice, a telephone hearing was held on July 26, 2010. The Claimant and her representative [REDACTED] appeared and testified. [REDACTED] appeared on behalf of the Department.

ISSUE

Was the Department correct in denying Claimant's Medical Assistance application 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 applied for MA and Retro-MA benefits on July 29, 2009.
- (2) Claimant's application was denied for June and July 2009 due to excess assets.
- (3) MA benefits were approved and active for August 2009 ongoing.
- (4) Claimant disposed on real property on July 2, 2009 and was below the asset limit as of that date.
- (5) Claimant requested a hearing on April 5, 2011 contesting the processing 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). 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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM). 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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

MA ASSET ELIGIBILITY LIF, G2U, G2C, AMP and SSI-
Related MA Only

Asset eligibility is required for LIF, G2U, G2C, AMP and SSI-
related MA categories.

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. BEM 400

In the present case, Claimant argued at hearing that coverage should be active for July 2009 because she became asset eligible in that month. Department policy states that 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. Claimant was asset eligible for July 2009 because she was under the asset limit for one day that month. In addition, Claimant argued that the real property in question was in effect worthless and she should be eligible for June 2009.

Claimant testified and presented documents showing that the property was stripped and had outstanding property taxes that eventually led her to sign the property over to the county without compensation. The Department asserted that they followed Department policy in determining the value of the real property. The Department did use the state equalized value which is consistent with Department policy. BEM 400 The State Equalized Value was [REDACTED] well over the asset limit. Therefore the Department's determination of the value of the property and that Claimant had excess assets in June 2009 prior to the property being disposed of in July 2009 is proper and correct.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department was incorrect in the denial of Claimant's MA application for July 2009, and it is ORDERED that the Department's decision in this

regard be and is hereby REVERSED. Claimant's MA application shall be reinstated and reprocessed for July 2009. It is further decided that the Department was correct to deny Claimant's MA application prior to June 2009 due to excess assets and it is ORDERED that the Department's decision in this regard be and is hereby AFFIRMED.



Aaron McClintic
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 8/16/11

Date Mailed: 8/16/11

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 60 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.

AM/ds

