

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 201226160  
Issue No: 2021  
Case No: [REDACTED]  
Hearing Date: May 22, 2012  
Macomb County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on Tuesday, May 22, 2012 from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED], his authorized hearings representative [REDACTED], and [REDACTED], acting as translator for the Claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED].

**ISSUE**

Due to excess assets, did the Department properly  deny the Claimant's application  close Claimant's case for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?  | <input type="checkbox"/> Adult Medical Assistance (AMP)?    |
| <input checked="" type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> State Disability Assistance (SDA)? |

**FINDINGS OF FACT**

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

1. Claimant  applied for benefits  received benefits for:  Family Independence Program (FIP),  Adult Medical Assistance (AMP),  Medical Assistance (MA),  State Disability Assistance (SDA).
2. Due to excess assets, on September 21, 2011, the Department  denied Claimant's application.  closed Claimant's case.
3. On May 31, 2011, the Department sent  Claimant  Claimant's Authorized Representative (AR) notice of the  denial.  closure.
4. On December 12, 2011, Claimant filed a hearing request, protesting the  denial of the application.  closure of the case.

**CONCLUSIONS OF LAW**

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1999 AC, R 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 AACRS, R 400.3151 through Rule 400.3180.

Additionally, the Department denied the Claimant's application for retroactive Medical Assistance for May of 2011, due to excess assets. The Department determined that the Claimant had countable assets for May of 2011, in the amount of [REDACTED], which was in excess of the asset limit of [REDACTED]. The Department classified a [REDACTED] withdrawal from the Claimant's account as a cash asset, and therefore countable. The Department classified a [REDACTED] transfer as a liquid asset within an account controlled by the Claimant.

The Claimant's representative argued that the [REDACTED] and [REDACTED] transfers should not be considered countable assets since they are withdrawals used to pay debts excluded by BEM 400 from countable assets.

Bridges Administrative Manual Item 130 requires that before the Department determines eligibility to receive benefits it will give its clients a reasonable opportunity to resolve any discrepancy between their statements and information from another source.

In this case, the Claimant submitted verification documents to the Department as part of his application for assistance that show assets that might be excludable from countable assets. The Department's representative testified that these assets are questionable and require further verification to determine whether they are in fact excludable from countable assets.

However, the Department did not seek additional verification to resolve the discrepancy between the Claimant's statements and the Department's suspicions.

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:  AMP  FIP  MA  SDA.

**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:

1. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA) for May of 2011.
2. Allow the Claimant a ten-day period to provide clarification concerning his countable and excludable for May of 2011.
3. Provide the Claimant with written notification of the Department's revised eligibility determination.
4. Issue the Claimant any retroactive benefits she may be eligible to receive, if any.

/s/ \_\_\_\_\_  
Kevin Scully  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: May 24, 2012

Date Mailed: May 24, 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 **MAY** 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

KS/tb

cc:

