

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

**IN THE MATTER OF THE CLAIM OF:**

[REDACTED]

Reg No.: 2012-41353  
Issue No.: 2026, 3015  
Case No.: [REDACTED]  
Hearing Date: April 26, 2012  
Macomb County DHS (12)

**ADMINISTRATIVE LAW JUDGE:** Colleen M. Mamelka

**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 hearing was held in Clinton Township, Michigan on Wednesday, April 26, 2012. The Claimant appeared, along with [REDACTED], and testified. [REDACTED] appeared on behalf of the Department of Human Services ("Department").

**ISSUE**

Whether the Department properly denied the Claimant's September 26, 2011 Food Assistance and Medical Assistance application 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. The Claimant submitted an application for Food Assistance ("FAP") and Medical Assistance ("MA") on September 26, 2011.
2. The Claimant submitted banking account verifications showing checking and savings combined account balances of over \$5,000.00.
3. The Claimant's group size is 2.
4. On October 25, 2011, the Department sent a Notice of Case Action to the Claimant informing her of the denial of MA benefits due to excess assets. (Exhibit 2)

5. On December 20, 2011, the Department sent a Notice of Case Action to the Claimant informing her of the denial of FAP benefits due to excess assets. (Exhibit 6)
6. The December 20<sup>th</sup> Notice also denied the Claimant's MA eligibility. (Exhibit 6)
7. On February 23, 2012, the Department received the Claimant's written request for hearing.

### **CONCLUSIONS OF LAW**

In the record presented, the Claimant requested a hearing regarding the denial of FAP and MA benefits. Each program will be addressed separately.

#### **FAP benefits**

The Food Assistance Program, formerly known as the Food Stamp program, is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations. The Department of Human Services, formerly known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et seq.* and the Michigan Administrative Code, Rules 400.3001-3015. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Tables ("RFT").

Assets must be considered in determining MA eligibility. BEM 400. Assets are cash and any other personal and/or real property. BEM 400. Countable assets must be available and cannot exceed the applicable asset limit. BEM 400. Available means that someone in the asset group has the legal right to use or dispose of the asset. BEM 400. The asset limit for FAP benefits is \$5,000.00. BEM 400.

In this case, the Claimant applied for FAP benefits in September 2011. In support of her claim, the Claimant submitted bank verifications which showed a combined checking and saving account balance of over \$5,000.00. Because the Claimant's assets exceed the FAP program limits, the Department's denial of FAP benefits was proper. Accordingly, the Department's FAP determination is AFFIRMED.

#### **MA benefits**

The Medical Assistance program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administered by the Department

pursuant to MCL 400.10 *et seq.* and MCL 400.105. Department policies are found in the BAM, BEM, and RFT.

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105. Medicaid is also known as Medical Assistance. BEM 105. The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. BEM 105. The Medicare Savings Programs are SSI-related MA Categories. BEM 165. The three Medicare Savings Programs are Qualified Medicare Beneficiaries (also known as full-coverage QMB); Specified Low-Income Medicare Beneficiaries (also referred to as limited coverage QMB); and Additional Low-Income Medicare Beneficiaries (also known as ALMB or Q1). BEM 165.

Income is the major determiner of which category an individual falls under. BEM 165. Effective April 1, 2011, to be eligible for full coverage QMB, income cannot exceed \$908.00; for limited coverage QMB, \$908.00 to \$1,090.00; and for ALMB \$1,090.00 to \$1,226.00. RFT 242. A person who is eligible for one of these categories cannot choose to receive a different Medicare Savings Program category. BEM 165. All eligibility factors must be met in the calendar month being tested. BEM 165. Full coverage QMB pays for Medicare premiums, co-insurances, and deductibles; limited QMB (also known as SLMB) pays Medicare Part B premiums; and ALMB pays Medicare Part B premiums provided funding is available. BEM 165. The Department of Community Health determines whether funding is available. BEM 165. Countable RSDI income is used for the month being tested. BEM 165. For SSI-related MA groups, each person requesting MA is determined separately. BEM 211.

In addition to income, assets are also considered when determining MA eligibility. The application asset limit for MA benefits is \$2,000.00 for an individual, and \$3,000.00 for a group of two. BEM 400.

In this case, the Claimant's countable assets for the period at issue were over the applicable \$3,000.00. As such, the Department's denial of MA benefits was correct. Ultimately, the Department established it acted in accordance with Department policy when it denied the Claimant's MA application. Accordingly, the Department's MA determination is AFFIRMED.

### **DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Department established it acted in accordance with department policy when it denied the Claimant's September 26, 2011 FAP and MA application.

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Accordingly, it is ORDERED:

The Departments FAP and MA determinations are AFFIRMED.

*Colleen M. Mamelka*

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**Colleen M. Mamelka**  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: April 27, 2012

Date Mailed: April 27, 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. (60 days for FAP cases)

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

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cc:



EQAD

C. Mamelka