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

Reg. No.:

201277396

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		Issue No.: Case No.: Hearing Date: County:	January 16, 2013 Calhoun						
ADMINIS	STRATIVE 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 January 16, 2013, from Lansing, Michigan. Participants on behalf of Claimant included of Department of Human Services (Department) included									
<u>ISSUE</u>									
Due to excess assets, did the Department properly \square deny the Claimant's application \square close Claimant's case for:									
☐ Famil ☑ Medi	ly Independence Program (FIP)? cal Assistance (MA)?		Adult Medical Assistance (AMP)? State Disability Assistance (SDA)?						
FINDINGS OF FACT									
	ninistrative Law Judge, based on the on the whole record, including the tes	•							
1.	 Claimant ☐ applied for benefits ☐ received benefits for: ☐ Family Independence Program (FIP), ☐ Adult Medical Assistance (AMP), ☐ Medical Assistance (MA), ☐ State Disability Assistance (SDA). 								
2.	2. Due to excess assets, on August 28, 2012, the Department ⊠ denied Claimant's application. ☐ closed Claimant's case.								
3.	On August 28, 2012, the Depart Authorized Representative (AR) no								

 On September 10, 2012, Claimant filed a hearing request, protesting the
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, <i>et seq</i> .
☐ 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, <i>et seq.</i> The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, <i>et seq.</i> , 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, <i>et seq.</i> , 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, <i>et seq.</i> , and 2000 AACS, R 400.3151 through Rule 400.3180.
Additionally, the Claimant disputed whether a pre-paid funeral contract should have been considered a countable asset. The Claimant has countable assets over the asset limit even if the funeral contract has no cash value to the Claimant that cannot be excluded.
The Claimant argued that the cash surrender value of a life insurance policy should not be considered a countable asset because the Claimant's heirs have assigned their interest in life insurance death benefits to a third party. Since the insurance policy has a present value to the Claimant (not her heirs) and policy does not exclude this value, it is considered a countable asset by the Department.
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 \boxtimes properly denied Claimant's application \square improperly denied Claimant's application \square properly closed Claimant's case \square improperly closed Claimant's case for: \square AMP \square FIP \boxtimes MA \square SDA.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusion of Law, and for the reasons stated on the record, finds that the Departmer \boxtimes did act properly. \square did not act properly.	
Accordingly, the Department's AMP FIP MA SDA decision i AFFIRMED REVERSED for the reasons stated on the record.	S
/s/ Kevin Scull Administrative Law Judge For Maura Corrigan, Director Department of Human Service	e or

Date Signed: January 17, 2013

Date Mailed: January 17, 2013

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

