

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201321876
Issue No.: 2021
Case No.: [REDACTED]
Hearing Date: May 9, 2013
County: Oakland (02)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 May 9, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly deny Claimant Medical Assistance (MA) coverage for February 2012?

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 April 10, 2012, Claimant applied for MA coverage and retroactive MA coverage.
2. The Department initially denied the application.
3. Following a September 19, 2012 hearing, a Settlement Order was issued on October 16, 2012, in which the Department agreed to "accept documentation of the bank account assets being the proceeds of a loan currently being repaid and recalculate the asset based on that documentation, back to April 10, 2012."
4. On September 26, 2013, the Department sent Claimant a Notice of Case Action notifying her that she was approved for MA with a monthly deductible for April 1,

2012, ongoing, with the deductible being met through September 30, 2012. The Notice denied Claimant MA coverage for February 2012.

5. On December 19, 2012, Claimant filed a request for hearing disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

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 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.

Additionally, Claimant applied for MA on April 10, 2012, seeking retroactive coverage to February 1, 2012. Although the Department initially denied the application, pursuant to an October 16, 2012 Settlement Order, the Department reprocessed Claimant's MA eligibility. The Department approved Claimant for MA coverage beginning April 1, 2012 with a monthly deductible. Claimant requested a hearing concerning the Department's denial of MA coverage for February 2012.

In the September 26, 2012 Notice of Case Action sent to Claimant, the Department denied Claimant's retroactive MA coverage for February 2012 because Claimant was "[n]ot aged, blind, disabled, under 21, pregnant or parent/caretaker relative of dependent child." At the hearing, the Department acknowledged that Claimant met the eligibility criteria for MA coverage because she was the parent of minor children in her home. In fact, the Notice of Case Action showed that Claimant was approved for Group 2 Caretaker Relative (GC2) MA coverage beginning April 1, 2012. The Department testified that Claimant's MA coverage for February 2012 was actually denied because she had excess assets during that month.

Asset eligibility is required for G2C MA coverage. BEM 400, p 4. The asset limit for GC2 MA coverage is \$3000. BEM 400 (April 2012), p 5; BEM 211 (January 2012), p 5. 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, p 4.

In this case, the Department concluded that Claimant exceeded the asset limit for MA coverage because she had more than \$3000 in the joint savings account she had with her husband. Cash, including savings and checking accounts, are assets. BEM 400, p 1. For joint savings and bank accounts the Department counts the entire amount of the


money in the account as an asset of the client unless the client claims and verifies a different ownership, in which case each owner's share is the amount they own. BEM 400, pp 9-10, 14.

In this case, Claimant's joint bank account statement for February 17, 2012 through March 16, 2012 showed a saving account balance of \$4728.69 at the end of the statement period. Claimant testified that no significant withdrawals were made from the savings account during February 2012 and that no employment income was deposited into the savings account. Based on the foregoing evidence, the Department established that Claimant had assets in excess of \$3000 in February 2012. Although Claimant testified at the hearing that the cash deposited into the savings account was the proceeds from a loan that Claimant and her husband were obligated to repay, there is no loan exclusion for assessing MA asset eligibility. See BEM 400, p 15. Because the balance in Claimant's savings account was more than \$3000 in February 2012, the Department acted in accordance with Department policy when it denied Claimant MA coverage for February 2012 based on excess assets.

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 acted in accordance with Department when it denied Claimant MA coverage for February 2012 based on excess assets.

Accordingly, the Department's decision is AFFIRMED.


Alice C. Elkin
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 5/17/2013

Date Mailed: 5/17/2013

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. (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

ACE/hw

cc:

