

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201343547
Issue No.: 2021
Case No.: [REDACTED]
Hearing Date: May 30, 2013
County: Macomb (36)

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 30, 2013 from Lansing, Michigan. Claimant personally appeared and provided testimony. Participants on behalf of Department of Human Services (Department) included [REDACTED] (Eligibility Specialist).

ISSUE

Did the Department properly deny Claimant's application for Medical Assistance (MA) or "Medicaid" case due to excess assets?

FINDINGS OF FACT

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

1. Claimant applied for MA benefits on February 11, 2013.
2. Due to excess assets, on March 6, 2013, the Department denied Claimant's application.
3. On March 6, 2013, the Department mailed Claimant a Notice of Case Action (DHS-1605) which denied Claimant's MA application.
4. On April 25, 2013, Claimant filed a hearing request, protesting the denial of the application.¹

¹ Claimant's request for hearing challenged the denial of "Medicaid and all other benefits" but during the hearing in this matter, Claimant indicated that she wished to withdraw her request for hearing concerning Food Assistance Program (FAP), Family Independence Program (FIP) and State Emergency Relief (SER) benefits.

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 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.

Assets must be considered in determining eligibility for several Medicaid categories including the Low Income Families (LIF) program. BEM 400. Assets are defined as cash, any other personal property and real property. BEM 400. For Medicaid LIF, the Department considers only the following types of assets: (1) cash (which includes savings and checking accounts); (2) investments; (3) retirement plans and (4) trusts. BEM 400.

“Cash” includes the following types of assets: (1) money/currency; (2) uncashed checks, drafts and warrants; (3) checking and draft accounts; (4) savings and share accounts; (5) money market accounts; (6) LTC patient trust fund and all other money held by the facility for the patient (i.e., patient has prepaid in advance for the nursing home stay); (7) money held by others (i.e., Sally does not have a bank account. She puts money in her mother's checking account, but it is not a joint account); (8) time deposits (a time deposit is a contract between a person and a financial institution whereby the person agrees to leave funds on deposit for a specified period in return for a specified interest rate. BEM 400.

Countable assets cannot exceed the applicable asset limit. BEM 400. An asset is countable if it meets the availability tests and is **not** excluded. BEM 400. An asset must be available to be countable. BEM 400. “Available” means that someone in the asset group has the legal right to use or dispose of the asset. BEM 400. The Department will consider availability and exclusions to determine if an asset is countable and how much to count. BEM 400.

The following types of assets are the only types considered for Medicaid-LIF: (1) cash; (2) investments; (3) retirement plans and (4) trusts. BEM 400.

For the Medicaid-LIF program, the asset limit is **\$3,000**. For Medicaid-LIF, an asset must be available to be countable. BEM 400. “Available” means that someone in the asset group has the legal right to use or dispose of the asset. BEM 400.

Here, the Department provided a copy of an account statement that showed Claimant had cash assets in the amount of \$8,606.27 which later dropped to a lowest balance of \$7,353.67. Claimant did not dispute the Department but testified that a portion of the money was intended for her son who was in college. Claimant's son did not have his own account at the time. His money was comingled with Claimant's money in the same account. Claimant's assertion that the money was to be used for her son does not

negate the fact that the money is her countable asset as she has the legal right to dispose of the money. For purposes of BEM 400, the monies in the account are Claimant's countable assets and are more than the \$3,000.00 asset limit for Medicaid-LIF.

Based upon the above Findings of Fact and Conclusions of Law, the Administrative Law Judge concludes that, due to excess assets, the Department properly denied Claimant's application. The Department also properly determined that Claimant was not eligible for the Adult Medical Program (AMP) at the time due to an enrollment freeze.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did act properly.

Accordingly, the Department's Medicaid decision is **AFFIRMED**.

IT IS SO ORDERED.

/s/ _____
C. Adam Purnell
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: May 31, 2013

Date Mailed: May 31, 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 mailing 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

201343547/CAP

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

CAP/aca

cc:

