

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201346490
Issue No.: [REDACTED]
Case No.: [REDACTED]
Hearing Date: July 24, 2013
County: Genesee 06

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on July 24, 2013. Claimant, her spouse, and her authorized hearing representative [REDACTED] appeared and testified. The Department was represented by [REDACTED].

ISSUE

Did the Department of Human Services properly deny Claimant's January 11, 2013, application for Medical Assistance (MA) due to excess assets?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

- (1) On January 11, 2013, [REDACTED] submitted a Medical Assistance (MA) application on behalf of Claimant. The application listed three vehicles.
- (2) On January 24, 2013, a Verification Checklist (DHS Form 3503) was issued. The checklist did not request vehicle valuation because the Department already had sufficient information to make a value determination.
- (3) On February 26, 2013, Claimant and [REDACTED] were sent a Notice of Case Action (DHS-1605) which stated the application was denied for excess assets.
- (4) On May 1, 2013, [REDACTED] submitted a request for hearing asserting Claimant's vehicles were overvalued. Valuation letters for the vehicles dated April 26, 2011, were submitted along with the request for hearing.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by 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 (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

The asset evaluation (Department exhibit page 63) shows life insurance valued as [REDACTED] and vehicles valued as [REDACTED] for a total of [REDACTED]. The asset limit for Claimant is [REDACTED]. Claimant does not dispute the life insurance value. The two vehicles counted are a 1995 Chevrolet C1500 pickup ½ ton V8 with 180,000 miles and a 1998 GMC G1500 ½ ton V8 van with 225, 000 miles. The NADA Guide value of the vehicles at average trade in was [REDACTED] for the pickup and [REDACTED] for the van.

The valuation letters submitted by Claimant are signed by Doug Stanley of Simms Chevrolet in Clio, MI. The dates are in fact written as 4/26/11 and 4/26/11. Both of the vehicles, described above, are valued at [REDACTED]. There was also a valuation letter submitted for a 1996 Olds Cutless with 56,124 miles which was excluded from the asset test. It is also signed by Doug Stanley, dated 4/26/11 and gives a value of [REDACTED].

The [REDACTED] valuations submitted are not given any evidentiary weight for the following reasons. The date is two years old and the mileage listed for the vehicles is less than reported on the application. It is not believed that a vehicle which was really only worth [REDACTED] in April 2011 would have survived being driven 2 years and 23,000 miles in the case of the pickup, 13,000 miles in the case of the van and 44,000 miles in the case of the Cutless. Neither, is it credible that the three vastly different vehicles would have the exact same value. Submission of these valuations is tantamount to an attempt at Medicaid fraud.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services properly denied Claimant's January 11, 2013 application for Medical Assistance (MA) due to excess assets.

It is ORDERED that the actions of the Department of Human Services, in this matter, are **UPHELD**.

/s/ _____
Gary F. Heisler
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 08/02/2013

Date Mailed: 08/05/2013

NOTICE: Administrative Hearings 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. Administrative Hearings 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.

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

GFH/sw

cc:

