

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-57064
Issue No.: 2021
Case No.: [REDACTED]
Hearing Date: October 17, 2013
County: Wayne (82-17)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, an in-person hearing was held on October 17, 2013, in Detroit, Michigan. Participants on behalf of Claimant included [REDACTED]

[REDACTED] Participants on behalf of the Department of Human Services (Department) included [REDACTED]
[REDACTED]

ISSUE

Did the Department properly deny Claimant's application for Medical Assistance (MA) of July 18, 2011, with request for retroactive MA coverage to April 1, 2011?

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 July 18, 2011, Claimant applied for MA coverage, and requested retroactive coverage to April 1, 2013.
2. On January 23, 2012, the Department denied the application based on the Medical Review Team (MRT) finding that Claimant was not disabled.
3. Claimant requested a hearing to dispute the finding that she was not disabled.
4. Following a September 24, 2012, hearing, the administrative law judge determined that the Department had erred in finding Claimant not disabled and ordered the

Department to reprocess Claimant's application to determine her nonmedical eligibility for MA.

5. On March 21, 2013, the Department sent Claimant and the AHR a Notice of Case Action denying the application because Claimant failed to meet the MA asset limit for the months from April 2011 through July 2011 based on the bank account and vehicle value.
6. On June 13, 2013, the AHR filed a request for hearing.

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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, during the hearing, the AHR conceded that Claimant was not asset-eligible for MA for the month of July 2011 but contended that she was eligible for June 2011. Claimant's June 2011 MA eligibility is considered in this Hearing Decision.

Asset eligibility is required for MA coverage under SSI-related MA categories. BEM 400 (January 2013), p. 4. The parties testified that Claimant was married. For SSI-related MA, which is applicable to disabled individuals, the asset limit is \$3,000 for a married individual. BEM 400, p. 6; BEM 211 (November 2012), p. 5. At the hearing, the Department testified that it concluded that the value of Claimant's assets exceeded the applicable MA limit based on the value of Claimant's checking account and her vehicles.

The Department concluded that the value of Claimant's vehicles under Department policy and based on Claimant's representation of the value of those vehicles totaled \$1,400. The AHR did not dispute the Department's calculation of the vehicle values.

In determining that Claimant's assets exceeded the MA asset limit, the Department also considered the value of Claimant's checking and savings account. Checking and savings accounts are assets. BEM 400, p. 11. The value of money in an account is the amount of cash in the account. BEM 400, p. 12.

The Department testified that it considered Claimant's ending balance for each of the checking and savings account statement periods presented for the period ending June 9, 2011, and July 12, 2011. Department policy provides that 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 (emphasis added). While the verification provided by Claimant does not provide a daily balance detail and does not identify the period covered by each statement, the Department did not present any evidence concerning the verification it requested from Claimant and did not allege that the verification provided was not responsive. The Department must tell the client what verification is required, how to obtain it, and the due date. BAM 130 (May 2012), pp. 2-3.

By basing the asset eligibility calculation on the ending balance for the end date of each of the checking account statement periods rather than the lowest balance for each month being tested as required by policy, the Department did not act in accordance with Department policy.

DECISION AND ORDER

Accordingly, the Department's decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reregister the July 18, 2011, MA application;
2. Reprocess Claimant's nonmedical MA eligibility for June 2011;
3. Provide Claimant with MA coverage she is eligible to receive, if any, for June 2011; and
4. Notify Claimant and the AHR in writing of its decision.



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

Date Signed: October 23, 2013

Date Mailed: October 24, 2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

ACE/pf

cc:

