

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

IN THE MATTER OF:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Reg. No.: 2013-46458
Issue No.: 2018
Case No.: [REDACTED]
Hearing Date: July 24, 2013
County: Oakland (4)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 July 24, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's g [REDACTED] and Authorized Hearing Representative (AHR), [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Eligibility Specialist.

ISSUE

Due to excess assets, did the Department properly deny Claimant's application for Medical Assistance (MA) effective February and March 2013?

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. On April 29, 2013 Claimant applied for MA benefits and sought retroactive coverage to January 2013. Exhibit 1.
2. On May 1, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA benefits for February 1, 2013 through March 31, 2013 were denied due to excess assets. Exhibit 2.
3. On May 9, 2013, Claimant and Claimant's AHR filed a hearing request, protesting the denial. Exhibit A.

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.

As a preliminary matter, Claimant was also disputing the MA benefits for January 2013 and April 1, 2013, ongoing. On May 15, 2013, the Department sent Claimant a Notice of Case Action advising her that effective January 2013, Claimant received MA benefits with a \$1,293 patient pay amount. See Exhibit 2. On May 15, 2013, the Notice of Case Action also notified Claimant that effective April 1, 2013, ongoing, Claimant received MA benefits with a \$1,293 patient pay amount. See Exhibit 2. Claimant's hearing request is dated May 9, 2013. See Exhibit A. If Claimant is disputing anything in regards to the May 15, 2013 Notice of Case Action, she will have to file another hearing request because the Notice of Case Action is subsequent to her May 9, 2013 hearing request. See BAM 600 (February 2013), pp. 3-4. This hearing decision will only address the MA benefits denial for February and March 2013.

In this case, on April 29, 2013 Claimant applied for MA benefits and sought retroactive coverage to January 2013. Exhibit 1. On May 1, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA benefits for February 1, 2013 through March 31, 2013 were denied due to excess assets. Exhibit 2.

All types of assets are considered for SSI-related MA categories. BEM 400 (January 2013), p. 2. Asset eligibility is required for LIF, G2U, G2C, AMP and SSI-related MA categories. BEM 400, p. 4. 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. For all other SSI-related MA categories, the asset limit is \$2,000 for an asset group of one or \$3,000 for an asset group of two. BEM 400, p. 5. This case involves only a group size of one.

For SSI-Related MA cases, checking and drafts accounts, savings and share accounts, and money market accounts are types of cash assets. BEM 400, p. 11.

The Department does not count funds treated as income by a program as an asset for the same month for the same program. BEM 400, p. 15. Claimant receives Retirement, Survivors and Disability Insurance (RSDI) payments and retirement benefits. The Department considers RSDI and retirement benefits as unearned income. See BEM 503 (November 2012), pp. 20-22. The Department will exclude the RSDI payments and retirement benefits as assets. BEM 400, p. 15.

At the hearing, the Department testified that Claimant's checking and savings accounts exceeded the asset limit of \$2,000 for a group size of one for both February and March 2013. Thus, the Department denied both those months due to excess assets.

First, the Department reviewed Claimant's account balances for February 2013. Claimant had both checking and savings accounts. See Exhibit 1. The Department presented Claimant's savings account which had the lowest account balance for the month of February 2013 in the amount of \$3,542.84. See Exhibit 1. However, Claimant had a RSDI payment in the month of February 2013 in the amount of \$1,035. See Exhibit 1. RSDI payments in the month received are excluded as an asset but countable as income. BEM 400, p. 15; BEM 503, pp. 20-22. The Department will subtract the \$1,035 RSDI payment from the \$3,542.84 account balance, which results in a total savings asset balance of \$2,507.84. The Department also presented Claimant's checking account which had the lowest account balance for the month of February 2013 in the amount of \$1,280.40. See Exhibit 1. However, Claimant had a retirement payment in the month of February 2013 in the amount of \$266.86. Retirement payments in the month received are excluded as an asset but countable as income. BEM 400, p. 15; BEM 503, pp. 20-22. The Department will subtract the \$266.86 retirement payment from the \$1,280.40 account balance, which results in a total checking asset balance of \$1,013.54. The Department will then combine both the checking and savings total, which results in a total February asset amount of \$3,521.38 (\$2,507.84 savings plus \$1,013.54 checking).

It should be noted that the Department calculated a total amount of \$3,520.54; this is harmless error as Claimant's total asset amount for February 2013 still exceeded the \$2000 asset limit. BEM 400, p. 5.

Second, the Department reviewed Claimant's account balances for March 2013. See Exhibit 1. Claimant's savings account had the lowest account balance for the month of March 2013 in the amount of \$4,577.84. See Exhibit 1. However, Claimant had a RSDI payment in the month of March 2013 in the amount of \$1,035. See Exhibit 1. The Department will subtract the \$1,035 RSDI payment from the \$4,577.84 account balance, which results in a total savings asset balance of \$3,542.84. The Department also presented Claimant's checking account which had the lowest account balance for the month of March 2013 in the amount of \$1,531.26. See Exhibit 1. However, Claimant had a retirement payment in the month of March 2013 in the amount of \$266.86. The Department will subtract the \$266.86 retirement payment from the \$1,531.26 account balance, which results in a total checking asset balance of \$1,264.40. The Department will then combine both the checking and savings total, which results in a total March asset amount of \$4,807.24 (\$3,542.84 savings plus \$1,264.40 checking).

It should be noted that the Department calculated a total amount of \$4,807.26; this is harmless error as Claimant's total asset amount for March 2013 still exceeded the \$2000 asset limit. BEM 400, p. 5.

In summary, Claimant's February and March 2013 MA benefits exceeded the \$2000 asset limit. BEM 400, p. 5. 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 properly denied Claimant's MA application for February 1, 2013 through March 31, 2013.

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

☒ did act properly. ☐ did not act properly.

Accordingly, the Department's ☐ AMP ☐ FIP ☐ FAP ☒ MA ☐ SDA decision is ☒ AFFIRMED ☐ REVERSED for the reasons stated on the record.



Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 31, 2013

Date Mailed: July 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. (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 affect the substantial rights of the claimant,
 - 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

2013-46458/EJF

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

EJF/cl

cc:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]