

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.: 201355795
Issue No.: [REDACTED]
Case No.: [REDACTED]
Hearing Date: August 1, 2013
County: Saginaw

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 August 1, 2013. Claimant appeared and testified. The Department was represented by [REDACTED].

ISSUE

Did the Department of Human Services properly close Claimant's Medical Assistance (MA) due to excess assets?

Did the Department of Human Services properly close Claimant's Food Assistance Program (FAP) 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) Claimant is 68 years old and was an ongoing recipient of Medical Assistance (MA) and Food Assistance Program (FAP) benefits.
- (2) On June 17, 2013, Claimant reported a new address. The Department removed the asset exemption from Claimant's residential property on [REDACTED]. The BRIDGES program determined Claimant was not eligible for Medical Assistance (MA) or Food Assistance Program (FAP) due to excess assets. Claimant was sent a Notice of Case Action (DHS-1605) giving her notice of the intended action.
- (3) On June 26, 2013, Claimant submitted a 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 Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

Claimant does not dispute owning the property at issue or that she was not living at the property. During this hearing the Department submitted evidence showing that Claimant purchased the property in 2007 and the property's State Equalized Value was [REDACTED] in 2009, [REDACTED] in 2010, and [REDACTED] in 2011.

Claimant submitted evidence which shows that as of July 10, 2013, her principle mortgage balance on the property was [REDACTED]. Department of Human Services Bridges Eligibility Manual (BEM) 400 Assets (2013) pages 22 & 23 directs that for SSI Related MA and FAP the value of a real property asset is its equity value. Equity value is defined as the fair market value minus the amount legally owed in a written lien provision. The evidence in this record shows that the fair market value of Claimant's property is [REDACTED] (SEV X 2). That is less than the amount she owes on the property. Claimant's equity value in the property is [REDACTED]. The result of Claimant's equity test is not in accordance with Department policy.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services DID NOT properly close Claimant's Medical Assistance (MA) and Food Assistance Program (FAP) due to excess assets.

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

It is further ORDERED that Claimant's Medical Assistance (MA) and Food Assistance Program (FAP) be reinstated, her equity test be conducted in accordance with Department of Human Services Bridges Eligibility Manual (BEM) 400 (2013) and any benefits she was otherwise eligible for but did not receive because of this Department will be supplemented to her.

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

Date Signed: 08/05/2013

Date Mailed: 08/05/2013

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 receipt 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

GFH/sw

cc:

