



### **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.

In the instant case, the Department denied Claimant's application dated September 5, 2013, for MA benefits based upon excess assets. The Department indicated Claimant had two vehicles, a money market account (alleged to have been sold in August 2013) and a mutual fund containing \$7,444. An application for benefits was submitted to the Department. The Department processed the application and determined Claimant possessed the above assets. The application did not list all of the alleged assets the Department asserts Claimant had previously declared. The Department processed a denial based upon the determination that the assets exceeded the asset limit.

Claimant's representative filed a hearing request protesting the denial and indicating they were unaware of any assets that would put Claimant over the limit. Claimant's representative testified that the Department failed to request any verification of assets. Claimant's representative was only aware of the two vehicles and the bank account. Claimant's representative asserted the value of the highest valued vehicle should be excluded and the lowest valued vehicle is only worth \$1,188 according to Kelly Bluebook. The representative asserted the Department never asked for any verification of any of the assets in question prior to determining Claimant had excess assets.

According to BAM 130, p. 1 (July 2013), the Department is to obtain verification when Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level.


In the instant case, the Department had an application for MA benefits which listed some assets but not all of the assets previously reported in BRIDGES. The Department failed to demonstrate a request or any attempts were made to resolve the difference between the assets reported on the application and those previously reported in BRIDGES. The Department instead simply denied Claimant's application without determining if the assets that appeared in BRIDGES still existed.

### **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. Initiate registering Claimant's request for MA benefits dated September 5, 2013;
2. Process the application according to policy.

  
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**Jonathan W. Owens**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: March 19, 2014

Date Mailed: March 19, 2014

**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:

2014-17284/JWO

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

JWO/pf

cc: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]