



4. On January 17, 2014, the Department sent a Notice of Case Action advising that the November 21, 2013 application for MA benefits had been denied because the countable assets exceeded the allowable amount for the MA program.
5. On March 28, 2014, Claimant's AHR filed a Request for Hearing disputing the Department's action.

### **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 Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, the Department received an application for retroactive MA benefits for Claimant's husband on November 21, 2013 requesting benefits effective August 2013. The Department reviewed a bank statement which showed that Claimant's husband received a lump sum deposit in the amount \$24,494.00 in August 2013 for RSDI benefits. As a result, the Department sent Claimant a Notice of Case Action denying the November 21, 2013 application for MA benefits had been denied.

The bank statement noted that the lump sum deposit was from the Social Security Administration. Department policy holds that retroactive RSDI benefits for the preceding nine calendar months are to be excluded and thus not considered as countable assets. BEM 400 (October 2013), pg. 21. The Department acknowledged that it failed to exclude the lump sum RSDI payment causing the November 21, 2013 application for retroactive MA benefits to be improperly denied.

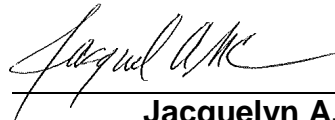
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it considered the RSDI lump sum payment as a countable asset and denied the November 21, 2013 application for retroactive MA benefits.

**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. Register and reprocess the Claimant's November 21, 2013 application for MA benefits;
2. Issue MA supplements, if any, that Claimant's husband was eligible to receive but did not relating to the August 2013 application; and
3. Notify Claimant's AHR in writing of its decision.



**Jacquelyn A. McClinton**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **6/16/2014**

Date Mailed: **6/16/2014**

JAM/cl

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

CC:

[REDACTED]  
[REDACTED]  
[REDACTED]  
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