

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-008163  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: October 15, 2014  
County: BENZIE

**ADMINISTRATIVE LAW JUDGE: Lynn Ferris**

**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 15, 2014, from Beulah, Michigan. Participants on behalf of Claimant included the Claimant, and [REDACTED], the Claimant's Authorized Hearing Representative (AHR). Participants on behalf of the Department of Human Services (Department) included [REDACTED], Program Manager, and [REDACTED] Eligibility Specialist.

**ISSUE**

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

**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. Claimant applied for MA and retro MA benefits on March 5, 2014 requesting retroactive coverage for January 2014 and February 2014.
2. On March 28, 2014, the Department denied Claimant's application due to excess assets. Exhibit 1 p. 7-8
3. On April 18, 2014, the Department notified Claimant's AHR of its denial by email.
4. On July 11, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a timely hearing request, protesting the Department's actions.

### **CONCLUSIONS OF LAW**

Department policies are found 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.

Additionally, in this case the only month at issue for Medical Assistance was January 2014, the retro-active month. The Department initially determined that the Claimant's assets exceeded the [REDACTED] asset limit for medical assistance for a group of one. BEM 400, (2/1/14) pp.7. The Department initially determined that due to a bank statement showing the lowest checking account balance of [REDACTED] in January 2014, the Claimant's assets exceeded the limit. Apparently, the Department's electronic file was incomplete due to electronic uploading and the bank account information was not available to establish the \$ [REDACTED] amount at the hearing. The Claimant's AHR, however, did produce a January 2014 back statement for the Claimant at the hearing, showing the lowest daily balance as \$ [REDACTED]. Claimant Exhibit A. The Department after reviewing the bank statement submitted with the application conceded that its original determination denying the application was in error. At the time, the Claimant had assets consisting of a car valued at [REDACTED] and a boat worth [REDACTED], for a total of [REDACTED] in vehicle assets, and together with his bank account was under the \$ [REDACTED] asset limit.

The Administrative Law Judge, based upon 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 denied the Claimant's application for retro Medical Assistance for January 2014.

### **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. The Department shall re-register the Claimant's March 5, 2014 retro application and determine Claimant's asset eligibility for Medical Assistance in accordance with Department policy.
2. The Department shall issue a notice to the Claimant and the Claimant's AHR notifying them of its determination.



**Lynn Ferris**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **10/21/2014**  
Date Mailed: **10/21/2014**

LMF/tm

**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:

