

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2014-6373
Issue No(s): 2001
Case No.: [REDACTED]
Hearing Date: December 4, 2013
County: Macomb County DHS #36

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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, a telephone hearing was held on December 4, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] [REDACTED] the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED] [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly deny the Claimant's August 20, 2013, Medicaid application due to excess assets?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Claimant applied for Medicaid on August 20, 2013.
2. On September 25, 2013, a Notice of Case Action was issued to the Claimant stating Medicaid was denied because the value of countable assets is higher than allowed for this program.
3. On October 10, 2013, the Claimant filed a request for hearing contesting 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 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.

Additionally, asset eligibility exists when the group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. Checking and savings accounts are counted as cash assets. In the Claimant's case, the Department utilized the Medicaid asset limit of \$2,000 for an asset group of one BEM 400 (7-1-2013) pages 5-14.

A Claimant must cooperate with the local office in determining initial and ongoing eligibility, including completion of necessary forms, and must completely and truthfully answer all questions on forms and in interviews. BAM 105 (7/1/2013) page 6.

Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. Verifications are considered timely if received by the date they are due. The Department must allow a client 10 calendar days (or other time limits specified in policy) to provide the requested verification. The Department worker must tell the client what verification is required, how to obtain it, and the due date. For MA, if the client cannot provide the verification despite a reasonable effort, the time limit can be extended up to three times. If neither the client nor the Department worker can obtain verification despite a reasonable effort, the Department worker is to use the best available information. If no evidence is available, the Department worker is to use their best judgment. BAM 130 (7/1/2013) pages 1-6.

On the Medicaid application, the Claimant indicated the value of the checking account was "\$1,000 ?" and the value of the savings account was "\$ [REDACTED]" (Exhibit I). While the indicated value of the checking account was questionable, the value of the savings account was not marked as questionable. The \$ [REDACTED] value of the savings account itself exceeded the applicable \$2,000 asset limit for Medicaid. Accordingly, on September 25, 2013, the Department denied the Claimant's August 20, 2013 application due to excess assets.

The Department also issued a Medical Determination Verification Checklist on September 25, 2013, stating what verifications, including checking and savings bank statements, were due by the October 7, 2013, due date. The Eligibility Specialist explained this was to allow for an opportunity to review the case based on actual asset verifications. However, the Claimant never submitted the verifications or requested any extension of the due date. Accordingly, the case was not reviewed again.

The Claimant testified that he has been really depressed. The Claimant has been out of a job since August and has medical bills to pay.

The basis for the Department's action in the case was assets that exceeded the applicable \$2,000 limit. The information the Claimant provided on the Medicaid

application indicated assets that exceed the limit. Specifically the savings account itself, with the listed value of \$ [REDACTED] exceeded the \$2,000 limit. The Claimant did not provide verification of the actual value of the assets in response to the request for verifications. Further, no evidence has been submitted to establish the Claimant's assets were at or under the \$2,000 limit at least one day during August 2013.

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 acted in accordance with Department policy when it denied the Claimant's August 20, 2013, Medicaid application due to excess assets.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

/s/

Colleen Lack
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: December 16, 2013

Date Mailed: December 17, 2013

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

20146373/CL

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

CL/hj

cc:

