

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 15-003813  
Issue No.: 2002  
Case No.: [REDACTED]  
Hearing Date: May 07, 2015  
County: Clinton

**ADMINISTRATIVE LAW JUDGE:** Gary Heisler

**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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on May 2, 2015, from Lansing, Michigan. Participants on behalf of Claimant included her authorized hearing representative from [REDACTED]. Participants on behalf of the Department of Health and Human Services (Department) included Hearing Facilitator [REDACTED].

**ISSUE**

Did the Department properly deny Claimant's May 30, 2014, Medical Assistance application for retroactive coverage of February and March 2014?

**FINDINGS OF FACT**

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

1. On May 30, 2014, L & S Associates submitted a Medical Assistance application on Claimant's behalf to include retroactive coverage back to February 1, 2014.
2. On December 10, 2014, the Department sent a Health Care Coverage Determination Notice (DHS-1606) which stated Claimant was not eligible for Medical Assistance from March 1-31, 2014.
3. On February 24, 2015, [REDACTED] submitted a hearing request.

**CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and 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 Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, the parties stipulate that the sole issue for resolution in this hearing is whether the trust documentation sent in satisfies the verification requirements for Claimant's reported trust for the retroactive months applied for. The parties agree that a written statement from Claimant (Page 69) regarding the [REDACTED] was submitted with the application. It is also agreed that [REDACTED] statements were submitted for an account named [REDACTED] dated May 22, 1990, [REDACTED] [REDACTED] were submitted for the time period from January 7, 2014 to June 4, 2014.

The Department asserts that the written statement and bank account statements are not sufficient. Bridges Eligibility Manual (BEM) 401 Trusts-MA at pages 17 & 18 states:

#### **VERIFICATION REQUIREMENTS**

Verify income from a trust:

Prior to authorizing benefits at application.  
At redetermination, and  
Whenever a change affecting income occurs.

Verify the value of a trust's principal if any portion is countable unless countable assets exceed the asset limit based on the client's statement of value.

See BEM 405 regarding verifications for divestment.

#### **Verification Sources**

Sources to verify income from a trust include:

Trust records.  
Trustee correspondence.

Sources to verify the value of a trust's principal include:

Statements from experts for the types of assets held by the trust.

Trust records.

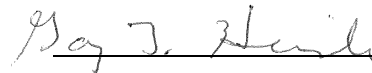
Trustee correspondence.

Claimant's application identified a trust. There are no documents submitted that provide sufficient information to determine if the bank account constitutes a trust in accordance with the legal definition of such. When an applicant declares a trust, they have the

burden of providing the verification requirements of a trust in Department policy. 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 Claimant's May 30, 2014, Medical Assistance application for retroactive coverage of February and March 2014.

**DECISION AND ORDER**

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



**Gary Heisler**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **6/2/2015**

Date Mailed: **6/2/2015**

GH/las

**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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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 48909-8139

cc:

