

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 15-012938  
Issue No.: 3001  
Case No.: [REDACTED]  
Hearing Date: September 01, 2015  
County: Clinton

**ADMINISTRATIVE LAW JUDGE:** C. Adam Purnell

**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 September 1, 2015, from Lansing, Michigan. Claimant personally appeared and provided testimony. [REDACTED] (Eligibility Specialist) represented the Department of Health and Human Services (Department).

**ISSUE**

Did the Department properly close Claimant's Food Assistance Program (FAP) and Medicare Savings Program (MSP) cases 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. Claimant was active for FAP and MSP at all times.
2. On March 31, 2015, the Department received Claimant's completed Redetermination (DHS-1010) form, which indicated that he had the following bank account assets: \$ [REDACTED] ([REDACTED]), \$ [REDACTED] ([REDACTED]) and \$ [REDACTED] ([REDACTED]). (Exhibit 1, pp. 16-21)
3. On April 10, 2015, the Department received Claimant's verifications of his bank accounts which indicated the following: \$ [REDACTED] ([REDACTED]), \$ [REDACTED] ([REDACTED]) and \$ [REDACTED] ([REDACTED]). (Exhibit 1, pp. 13-15).

4. On April 13, 2015, the Department mailed Claimant a Notice of Case Action (DHS-1605) which closed his FAP case effective May 1, 2015 due to excess assets. (Exhibit 1, pp. 9-12).
5. On May 8, 2015, the Department mailed Claimant a Health Care Coverage Determination Notice (DHS-1606) which closed his MSP effective May 1, 2015 due to countable assets higher than allowed for the program. (Exhibit 1, pp. 3-7).
6. Claimant requested a hearing to challenge the FAP and MSP closures on July 13, 2015. (Exhibit 1, p. 1).<sup>1</sup>

### **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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). The weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. The asset limit for FAP is \$5,000.00 or less for non-categorically eligible groups. BEM 400 (7-1-2015), p. 5. The asset limit for Claimant is \$5,000.00. Claimant did not dispute the amounts of his bank accounts, but stated that his assets have recently decreased significantly. During the relevant time, Claimant's bank accounts totaled \$ [REDACTED]

The undersigned finds that because Claimant's assets at the time were in excess of \$5,000.00, the Department acted properly when it closed his FAP case.

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<sup>1</sup> The hearing summary incorrectly indicated MA disability as a disputed issue. Claimant confirmed that this was not a disability hearing.

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.

The Medicare Savings Programs are SSI-related MA categories and are neither Group 1 nor Group 2 categories. BEM 165 (1-1-2015), p. 1. There are three categories that make up the Medicare Savings Programs. BEM 165, p. 1. The three categories are: (1) Qualified Medicare Beneficiaries. This is also called full-coverage QMB and just QMB. Program group type is QMB. BEM 165, p. 1. (2) Specified Low-Income Medicare Beneficiaries. BEM 165. This is also called limited-coverage QMB and SLMB. BEM 165, p. 1. Program group type is SLMB. BEM 165, p. 1. (3) Q1 Additional Low-Income Medicare Beneficiaries. This is also referred to as ALMB and as just Q1. BEM 165. Program group type is ALMB. BEM 165, p. 1.

Pursuant to BEM 400 (7-1-2015), p. 7, the asset test for Medicare Savings Programs (effective January 1, 2015) is \$7,280.00. For SSI-Related Medicaid, the asset limit is \$2,000.00. BEM 400 ((7-1-2015), p. 7.

Here, Claimant alleges that he receives SSI disability. However, Claimant does not dispute the Department's determination of his financial bank account assets. He merely states that his financial situation has changed as of late.

With regard to Claimant's MSP and Medicaid eligibility, the Department properly closed these cases due to excess assets based on the substantial, material and competent evidence on the whole record.

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 closed Claimant's FAP and MSP cases due to excess assets.

**DECISION AND ORDER**

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



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**C. Adam Purnell**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Human Services

Date Signed: **9/3/2015**

Date Mailed: **9/3/2015**

CAP/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:

