

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

**IN THE MATTER OF:**

██████████  
██████████  
██

Reg. No.: 15-015334  
Issue No.: 2001  
Case No.: ██████████  
Hearing Date: October 12, 2015  
County: Macomb-District 12

**ADMINISTRATIVE LAW JUDGE: Zainab Baydoun**

**HEARING DECISION**

Following Petitioner'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 three way telephone hearing was held on October 12, 2015, from Detroit, Michigan. Petitioner's Authorized Hearing Representative, ██████████, from ██████████ appeared on Petitioner's behalf. Participants on behalf of the Department of Health and Human Services (Department) included ██████████, Hearings Facilitator.

**ISSUE**

Did the Department properly process and deny Petitioner's application for Medical Assistance (MA) benefits?

**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 February 19, 2015, as Authorized Representative, ██████████ submitted an application for MA benefits on behalf of Petitioner. (Exhibit A)
2. On May 14, 2015, the Department sent ██████████ a Health Care Coverage Supplemental Questionnaire instructing Petitioner to complete the form and attach requested verifications/proofs by May 26, 2015. (Exhibit B)
3. ██████████'s timely submitted the completed Health Care Coverage Supplemental Questionnaire to the Department. (Exhibit B; Exhibit 1, pp. 13-15)

4. On May 27, 2015, the Department sent ██████████ a Health Care Coverage Determination Notice informing ██████████ that Petitioner was ineligible for MA for the period of February 1, 2015, ongoing, because of a failure to return the supplemental questionnaire. (Exhibit C)
5. On August 18, 2015, ██████████ requested a hearing on Petitioner's behalf disputing the denial of the MA application.

### **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 Department testified that although Petitioner submitted a completed Health Care Coverage Supplemental Questionnaire, because verification of bank asset information was not returned, it sent Petitioner the Health Care Coverage Determination Notice advising Petitioner of the denial of his MA application. (Exhibit B; Exhibit C).

At the hearing, Petitioner's AHR testified that Petitioner was not applying for a disability based MA program, so verification of his assets was not needed to determine his MA eligibility, as he was applying for a MAGI related MA program such as the Healthy Michigan Plan or as a caretaker. The Department representative responded that because Petitioner's wife was listed on the application and because the Department had information on file that she was a recipient of social security benefits, asset verification was required in order to determine whether or not the applicants would meet asset eligibility requirements for disability based MA. (Exhibit A). It was unclear however, whether Petitioner's wife was receiving SSI benefits or RSDI benefits; and while the Department initially testified that Petitioner's wife had active MA benefits under her own case, this was not supported by any documentary evidence.

According to the Michigan Department of Community Health, MAGI Related Eligibility Manual (MREM), the Healthy Michigan Plan and the Parents and Caretaker (PCR) category are a MAGI related MA group. MREM (May 2014), p. 2. The manual also

provides that assets such as cash in bank accounts are not considered and SSI income is not countable in determining eligibility for MAGI related groups. MREM, pp. 14-15. Additionally, BEM 105 provides that persons may qualify under more than one MA category and federal law gives persons the right to the most beneficial category which is considered the category that results in eligibility or the least amount of excess income. BEM 105 (October 2014), p.2.

Therefore, under the facts in this case as presented, 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 denied Petitioner's MA application on the basis that he failed to submit verification of his assets. The Department should have determined Petitioner's eligibility for MA under the most beneficial program and was not required to obtain asset verification if Petitioner did not indicate that he was seeking MA under a disability based program.

### **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 process Petitioner's February 19, 2015, application for MA, to determine Petitioner's eligibility for MA benefits under the most beneficial category;
2. Provide Petitioner with any MA coverage that he was entitled to receive but did not from February 2015, ongoing; and
3. Notify Petitioner and [REDACTED] of its decision in writing



---

**Zainab Baydoun**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **11/10/2015**

Date Mailed: **11/10/2015**

ZB / tlf

**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:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]