



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: June 6, 2016
MAHS Docket No.: 16-004501
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, telephone hearing was held on May 19, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included [REDACTED]. [REDACTED] (Hearing Facilitator) represented the Department of Health and Human Services (Department).

ISSUE

Did the Department of Health and Human Services (Department) properly close the Petitioner's 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. The Petitioner is an ongoing Medical Assistance (MA) recipient.
2. On March 3, 2016, the Department received the Petitioner's Redetermination (DHS-1010) form. Exhibit A, pp 3 – 8.
3. On March 8, 2016, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of the assets she reported on her Redetermination form. Exhibit A, p 9.
4. On March 18, 2016, the Department received verification of a mutual fund account owned by the Petitioner and her sister with a value of \$ [REDACTED] Exhibit A, p 10.

5. On March 22, 2016, the Department notified the Petitioner that she was no longer eligible for Medical Assistance (MA) benefits as of April 1, 2016.
6. On March 31, 2016, the Department received the Petitioner's request for a hearing protesting the closure of her Medical Assistance (MA) benefits. Exhibit A, p 2.

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.

Assets means cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees and fences. Condominiums are real property. Personal property is any item subject to ownership that is not real property. Countable assets cannot exceed the applicable asset limit. An asset is countable if it meets the availability tests and is not excluded. Available means that someone in the asset group has the legal right to use or dispose of the asset. Department of Human Services Bridges Eligibility Manual (BEM) 400 (April 1, 2016), pp 1-7.

An asset must be available to be countable. Available means that someone in the asset group has the legal right to use or dispose of the asset. The Department will assume an asset is available unless evidence shows it is not available. Jointly owned assets are assets that have more than one owner. The Department will count the entire amount unless the person claims and verifies a different ownership. BEM 400, pp 9 – 12.

The Petitioner was an ongoing MA recipient when the Department initiated a routine redetermination of her eligibility to receive ongoing benefits. Based on the information the Petitioner reported, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of her assets. On March 18, 2016, the Department received verification of a mutual fund account owned by the Petitioner and her sister. The account statement showed a value of \$ [REDACTED] and this account exceeds the \$2,000 asset limit to receive MA benefits. BEM 400, p 7. On March 22, 2016, the Department notified the Petitioner that she was no longer eligible for MA benefits as of April 1, 2016.

The Petitioner argued that the funds in the account belonged to her sister but failed to establish that she does not have access to these funds or that her sister each own separate shares of this asset. The Department is required by BEM 400 to consider the entire amount as a countable assets in the absence of evidence that would exclude all or a portion of the account's value. No evidence necessary to exclude this asset was submitted during the hearing.

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 the Petitioner's Medical Assistance (MA) benefits.

DECISION AND ORDER

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

KS/las



Kevin Scully
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

DHHS

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]