RICK SNYDER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON DIRECTOR



Date Mailed: October 18, 2017 MAHS Docket No.: 17-009757 Agency No.: Petitioner:

## 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 September 19, 2017, from Michigan. The Petitioner was represented by his wife, The Department was represented by Eligibility Specialist.

#### **ISSUE**

Did the Department of Health and Human Services (Department) properly deny Petitioner's application for Medical Assistance (MA)?

## 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, 2017, the Department received Petitioner's application for Medical Assistance (MA). Exhibit A, pp 3-14.
- On June 5, 2017, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of a real property assets held by Petitioner. Exhibit A, p 15.
- 3. On June 13, 2017, the Department received a copy of a deed transferring real property from Petitioner to another person in a transaction recorded June 9, 2017. Exhibit A, p 16.
- 4. On June 30, 2017, the Department notified Petitioner that it had denied his application for Medical Assistance (MA) based on his countable assets. Exhibit A, p 17.

5. On July 26, 2017, the Department received Petitioner's request for a hearing protesting the denial of his Medical Assistance (MA) application. Exhibit A, pp 1-2.

## 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 (July 1, 2017), pp 1-7.

On May 30, 2017, the Department received Petitioner's application for MA benefits.

The asset limit for a group of two that are Medicare eligible is \$BEM 400.

The Department received verification that Petitioner transferred real properly to another person in a transaction that was recorded on June 9, 2017. It is not disputed that the real properly has a value exceeding \$3,000.

This Administrative Law Judge finds that when Petitioner applied for MA benefits he had the legal right to dispose of real property owned by him and his wife. This made the real property a countable asset as defined by BEM 400. Therefore, the Department credibly determined that as of the application date, Petitioner was not eligible for MA benefits based on the group's countable assets.

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 Petitioner's Medical Assistance (MA) application.

## **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/nr

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

# Petitioner