



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

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

Date Mailed: July 12, 2017
MAHS Docket No.: 17-005394
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 telephone hearing was held on June 12, 2017, from Detroit, Michigan. The Petitioner was not present but was represented by [REDACTED] Guardian. The Department of Health and Human Services (Department) was represented by [REDACTED] Assistant Payment Supervisor and [REDACTED], Assistance Payment Worker.

ISSUE

Did the Department properly find Petitioner ineligible for Medical Assistance (MA) benefits in January 2017, February 2017 and March 2017 for exceeding the asset limit?

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 March 23, 2017, Petitioner's guardian submitted an application for Health Care Coverage Patient of Nursing Facility on behalf of Petitioner.
2. Petitioner is a currently residing in a nursing care facility.
3. Petitioner's guardian also submitted banking account information relating to Petitioner's assets.
4. In January, February and March 2017, Petitioner's assets exceeded \$ [REDACTED]

5. On April 10, 2017, the Department sent Petitioner a Health Care Coverage Determination Notice which notified her that she was ineligible for MA benefits effective January 1, 2017.
6. On April 18, 2017, Petitioner's guardian filed a Request for Hearing disputing the Department's actions.

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.

Additionally, assets must be considered in determining eligibility for FIP, SDA, RCA, G2U, G2C, RMA, SSI-related MA categories, CDC and FAP. **FIP, SDA, RCA, G2U, G2C, CDC and RMA consider only the following types of assets:**

- Cash (which includes savings and checking accounts).
- Investments (which includes 401(k), Roth IRA etc.).
- Retirement Plans.
- Trusts. BEM 400 (January 2017), p. 1.

In this case, Petitioner's guardian submitted an application for MA benefits on March 23, 2017. At that time, Petitioner was residing at a nursing home. Petitioner's guardian also submitted financial information relating to Petitioner's assets. In January, February and March 2017, Petitioner's guardian sent a payment to the nursing home using money from Petitioner's bank account. The January payment was in the amount of \$ [REDACTED] the February payment was in the amount of \$ [REDACTED] and March in the amount of \$ [REDACTED]

The Department's Program Policy Division issued Letter 16-66 which states in pertinent part as follows:

A pre-payment for nursing facility services not yet received is considered a countable asset and could affect the resident's Medicaid eligibility determination...

For all other SSI-related MA categories, the asset limit is:

- \$2,000 for an asset group of one.
- \$3,000 for an asset group of two. BEM 400, p. 8.

There is no dispute in this matter that payments were made to the nursing facility in January, February, and March 2017. The monies paid to the nursing home are therefore considered countable assets. Given that Petitioner's countable assets exceeded \$ [REDACTED] in January, February, and March 2017, the Department properly determined that Petitioner was ineligible for MA benefits in February, February and March 2017.

DECISION AND ORDER

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 determined that Petitioner was ineligible for MA benefits in February, February and March 2017.

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

JM/hw



Jacquelyn A. McClinton
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]
[REDACTED]
[REDACTED]

Petitioner

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