



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: February 15, 2018  
MAHS Docket No.: 17-017052  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler**

**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; 42 CFR 438.400 to 438.424; 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 February 12, 2018, from Detroit, Michigan. The Petitioner was represented by her authorized representative, [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist.

**ISSUE**

Did the Department properly close Petitioner's Medical Assistance (MA) program benefits due to being over 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 September 28, 2017, Petitioner submitted a completed Redetermination to the Department listing a vehicle financed through [REDACTED].
2. Other vehicles appeared in the Bridges system and the Department updated the values for each vehicle using the National Automobile Dealers Association (NADA) vehicle value lookup.
3. On October 9, 2017, the Department determined Petitioner was ineligible for MA program benefits due to being over the asset limit.

4. On October 19, 2017, Petitioner submitted a hearing request disputing the Department's assessment of value for each of the involved vehicles.
5. On November 14, 2017, Petitioner's husband passed away, changing the group size and by extension the asset limit for the group.

### **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, Petitioner and her husband were part of the Medicare Cost Sharing MA program. Petitioner is the owner of a 2013 Ford Taurus, a 2012 Ford F-250, and finally a 2011 Keystone RV. The Medicare Savings Program asset limit effective January 1, 2017 for a group size of two is \$11,090.00; for a group size of one, the asset limit as of January 1, 2017 is \$7,390.00. BEM 400 (July 2017), p. 7. In an SSI-related MA case, the value of a vehicle is its equity value, or the fair market value minus the amount legally owed in a written lien provision. BEM 400, p. 38. One motorized vehicle owned by the asset group is excluded in calculating the total value of assets; if more than one motorized vehicle is owned, the Employment Asset Exclusion is excluded first, then from any remaining motorized vehicles, the vehicle with the highest equity value is excluded. BEM 400, p. 39.

In determining the fair market value for the Petitioner's three vehicles, the Department utilized the NADA vehicle valuation tool and selected the lowest possible market value presented by NADA based on the year and model of the vehicle. The Petitioner did not present any alternative valuations for any of the vehicles. NADA estimated the value of the [REDACTED] at [REDACTED], the [REDACTED] as [REDACTED], and the [REDACTED] as [REDACTED]. Following policy, the Department excluded the RV from the calculation of assets as it was the highest valued vehicle. From there, the Department subtracted the remaining balance due on Petitioner's [REDACTED] from the NADA value which totaled [REDACTED]. Therefore, Petitioner's total asset value based on the [REDACTED] and [REDACTED] as [REDACTED]. BEM 400, p. 39. As a result, Petitioner's vehicle assets place her well above the asset limit for a group size of two. BEM 400, p. 7. While the Petitioner did not request her hearing

before the change in her group size, it should be noted that she is also above the asset limit for a group size of one. BEM 400, p. 7.

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 found Petitioner ineligible for benefits as a result of being over the asset limit.

**DECISION AND ORDER**

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



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**Amanda M. T. Marler**  
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

**Via Email:**

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

**Authorized Hearing Rep.:**  
**Via First-Class Mail**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Petitioner:**  
**Via First-Class Mail**

[REDACTED]  
[REDACTED]  
[REDACTED]