



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR



Date Mailed: June 4, 2018
MAHS Docket No.: 18-004184
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 [REDACTED], from Lansing, Michigan. Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistance Payments (AP) Supervisor. Department Exhibit 1, pp. 1-14 was received and admitted.

ISSUE

Did the Department properly close Petitioner's Medical Assistance (MA) and Food Assistance Program (FAP) benefits due to excess assets?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner was a recipient of FAP and MA-AD Care.
2. On [REDACTED], a verification checklist was sent to Petitioner requesting asset verifications. (Exhibit 1, pp. 5-6)
3. On [REDACTED], Petitioner submitted back account information from DFCU Financial and Lake Michigan Credit Union. (Exhibit 1, pp. 7-8)

4. On [REDACTED], a Health Care Coverage Determination Notice was sent to Petitioner informing her that her MA case would close effective [REDACTED]. (Exhibit 1, pp. 13-14)
5. On [REDACTED], Petitioner requested hearing disputing the closure of MA and FAP. (Exhibit 1, pp. 2-3)

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

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.

FAP Asset Limits

FAP

\$5,000 or less. BEM 400 (January 2018)

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

Retroactive SSI Benefits

FIP, SDA, G2U, G2C, RMA, SSI-Related MA Only, CDC and FAP

Retroactive SSI benefits may be paid as a one-time payment or in installments over several months. The Social Security Administration determines how payment will be made.

Retroactive SSI benefits are treated as accumulated benefits (see above) even when paid in installments. See Retroactive RSDI and SSI Exclusion in this item for SSI-related MA determinations.

Note: For FAP households where all members receive FIP and/or SDA and/or SSI, retroactive SSI benefits are excluded in Bridges. BEM 400

Lump Sums and Accumulated Benefits

Lump sums and accumulated benefits are defined in the BPG, Glossary.

FIP, RCA, SDA, CDC and FAP

Lump sums and accumulated benefits are assets starting the month received.

A person might receive a single payment that includes both accumulated benefits and benefits intended as a payment for the current month. Treat the portion intended for the current month as income.

G2U, G2C, RMA, SSI-Related MA Only

Lump sums and accumulated benefits are income in the month received. See BEM 500, INCOME OVERVIEW, about countable income policy.

The following are assets:

Income tax refunds; see **Tax Refund & Tax Credit Exclusions** in this item.

Nonrecurring proceeds from the sale of assets.

Payments that are excluded assets.

Medical Loss Ratio Rebate. BEM 400


In this case, Petitioner had bank accounts with balances of \$ [REDACTED] and \$ [REDACTED]. The asset limit for MA-AD Care is \$ [REDACTED]. The asset limit for FAP is \$ [REDACTED]. BEM 400 Petitioner is over the asset limit for both programs therefore, the Department closure for excess assets for both programs was proper and correct. Petitioner testified that she received a retroactive lump sum award from the Social Security Administration in [REDACTED], and that is the source of the monies in her bank accounts. Petitioner testified that she receives Social Security Disability and not Supplemental Security Income. Retroactive SSD payments are not excluded assets under BEM 400 for FAP or MA-Ad Care. Therefore, the Department MA and FAP closures due to excess assets was proper and correct.

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 MA and FAP due to excess assets.

DECISION AND ORDER

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

AM/bb



Aaron McClintic
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) 763-0155; 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]

Petitioner

[REDACTED]