



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
MI [REDACTED]

Date Mailed: January 25, 2019  
MAHS Docket No.: 18-013240  
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 January 23, 2019, from Lansing, Michigan. Petitioner represented herself. The Department was represented by Natalie McLaurin.

**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 [REDACTED], 2018, the Department denied Petitioner's application for State Emergency Relief (SER) assistance. Exhibit A, p 106.
2. Petitioner was a Medical Assistance (MA) recipient as a Supplemental Security Income (SSI) recipient through June 1, 2018, and on or around July 20, 2018, the Department notified her that her transitional Medical Assistance (MA) benefits would close. Exhibit A, p 72.
3. On September 8, 2018, the Department closed Petitioner's Food Assistance Program (FAP) benefits for failing to provide verification of her husband's checking account. Exhibit A, pp 90-93.

4. On [REDACTED], 2018, the Department received Petitioner's application for Medical Assistance (MA) and Medicare Savings Program (MSP) benefits as a group of two. Exhibit A, pp 5-13.
5. Petitioner has been an active Medicare recipient since November 1, 2007, and her husband also receives Medicare benefits. Exhibit A, p 14.
6. On November 2, 2018, the Department received Petitioner's Health Care Coverage Supplemental Questionnaire (DHS-1004) where she reported that her husband has a checking account with an unknown balance. Exhibit A, pp 27-30.
7. On November 28, 2018, the Department notified Petitioner that she was not eligible for Medical Assistance (MA) effective October 1, 2018. Exhibit A, pp 24-26.
8. On November 28, 2018, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of the balance of her husband's checking account. Exhibit A, p 77.
9. On December 13, 2018, the Department notified Petitioner that she and her husband were not eligible for Medical Assistance (MA) or Medical Savings Program (MSP) benefits effective August 1, 2018. Exhibit A, pp 81-85.
10. On December 12, 2018, received Petitioner's request for a hearing. Exhibit A, pp 3-4.

### **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.

There are three categories of Medicare Savings Program (MSP) benefits including the Qualified Medicare Beneficiary (QMB), the Special Low Income Medicare Beneficiary (SLMB), and the Additional Low Income Medicare Beneficiary (ALMB). QMB pays Medicare premiums, and Medicare coinsurances, and Medicare deductibles. QMB coverage begins the calendar month after the processing month. SLMB pays Medicare

Part B premiums. SLMB coverage is available for retro MA months and later months. ALMB pays Medicare Part B premiums provided funding is available. The Department of Community Health notifies the Department of Human Services if funding is available. ALMB coverage is available for retro MA months and later months. Department of Human Services Bridges Eligibility Manual (BEM) 165 (January 1, 2018), pp 2-4.

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 State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

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 (January 1, 2018), pp 1-7.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (January 1, 2018), p 8.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (April 1, 2017), pp 1-10.

To be automatically eligible for Medicaid (MA) an SSI recipient must both be a Michigan resident, and cooperate with third-party resource liability requirements. The Department administers MA for SSI recipients, including a continued MA eligibility determination when SSI benefits end. Department of Health and Human Services Bridges Eligibility Manual (BEM) 150 (April 1, 2017), p 1.

Petitioner was an ongoing MA recipient based on her receipt of Supplemental Security Income (SSI) benefits and her husband was an ongoing MA recipient under the AD-CARE category. Petitioner and her husband received their MA benefits separately as groups of one until Petitioner's SSI benefits closed and she began to receive Retirement, Survivors, and Disability Insurance (RSDI) benefits. The Department closed Petitioner's MA benefits under the MA-SSI category, and placed her temporarily into a transitional MA category. Petitioner re-applied for MA and Food Assistance Program (FAP) benefits as a group of two including her husband on October 13, 2018.

Neither Petitioner nor her husband are eligible for MA benefits under the Health Michigan Plan (HMP) because they both qualify or are enrolled in Medicare. Department of Health and Human Services Bridges Eligibility Manual (BEM) 137 (January 1, 2019), p 1.

Petitioner and her husband are potentially eligible for MA and FAP benefits, but there is an asset limit to remain eligible for either program. See BEM 400. On November 2, 2018, the Department requested that Petitioner provide verification of the balance of her husband's checking account that she had reported to the Department on November 2, 2018. The Department's representative testified that the Department had been aware of this bank account prior to that date, but did not have an up to date balance. On December 13, 2018, the Department had not received verification of the balance of the husband's checking account, and it notified Petitioner that she was not eligible for MA or FAP benefits.

Petitioner testified that she was willing to provide verification of her husband's checking account but that her husband was not willing to cooperate.

Petitioner has a duty to provide the Department with timely verification of her countable assets enabling the Department to make an accurate determination of her eligibility for MA and FAP benefits. Petitioner failed to provide the Department with the information necessary to determine eligibility for benefits, and the Department was acting in accordance with policy when it denied her MA and FAP application.

A request for hearing must be in writing and signed by the claimant, petitioner, or authorized representative. Rule 400.904(1). Moreover, the Department of Human Services Bridges Administrative Manual (BAM) 600 (January 1, 2018), p. 6, provides in relevant part as follows:

The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing. The request must be received anywhere in DHS within the 90 days.

Petitioner was denied SER benefits on February 27, 2018, and did not re-apply until after December 12, 2018. The hearing record does not establish that she is entitled to a hearing protesting the SER program at this time.

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 Medical Assistance (MA), Medicare Savings Program (MSP), and Food Assistance Program (FAP) benefits.

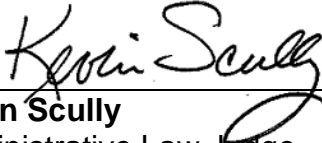
Petitioner's hearing request is dismissed with respect to State Emergency Relief (SER) benefits only.

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

Petitioner's request for a hearing with respect to State Emergency Relief (SER) benefits is DISMISSED.

KS/dh

  
\_\_\_\_\_  
**Kevin Scully**  
Administrative Law Judge  
for Robert Gordon, 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**

Kathleen Verdoni  
411 East Genesee  
PO Box 5070  
Saginaw, MI 48607

Saginaw County, DHHS

BSC2 via electronic mail

EQAD via electronic mail

D. Smith via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

T. Bair via electronic mail

E. Holzhausen via electronic mail

**Petitioner**

[REDACTED]  
MI [REDACTED]