



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

ORLENE HAWKS  
DIRECTOR

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██████████  
██████████  
██████████ MI ██████████

Date Mailed: January 18, 2019  
MAHS Docket No.: 18-012183  
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 December 20, 2018, from Lansing, Michigan. Petitioner was represented by her daughter ██████████. The Department was represented by Juanita Munoz.

### **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 ██████ ██████ 2018, the Department received Petitioner's application for Medical Assistance (MA).
2. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of ██████████, and she is eligible for Medicare. Exhibit A, pp 15-17.
3. Petitioner receives a monthly pension in the gross monthly amount of ██████████.
4. Petitioner has a life insurance policy with a cash surrender value of ██████████.

5. On September 14, 2018, the Department notified Petitioner that she was not eligible for full Medical Assistance (MA) effective August 1, 2018. Exhibit A, pp 4-6.
6. On November 7, 2018, the Department received Petitioner's request for a hearing protesting the denial of her application for Medical Assistance (MA). Exhibit A, 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 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 (January 1, 2018), pp 1-7.

A life insurance policy is an asset if it can generate a cash surrender value. BEM 400, p 44.

On ■■■■■ 2018, the Department received Petitioner's application for MA and Long-Term Care (LTC).

Petitioner receives RSDI benefits and is eligible for Medicare. Petitioner is not eligible for MA under the Health Michigan Plan (HMP), which does not have an asset limit, because Petitioner is eligible for Medicare. Department of Health and Human Services Bridges Eligibility Manual (BEM) 137 (January 1, 2019), p 1.

Petitioner is not eligible as a group of one for any other category of MA because she possesses a life insurance with a countable value exceeding \$2,000. BEM 400, p 8.

Petitioner's representative argued that her mother was not applying for Medicaid but needed long term care.

However, Petitioner is not eligible for long term care benefits unless she meets the eligibility criteria for a category of Medicaid.

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 application for Medical Assistance (MA) and request for Long Term Care (LTC) benefits.

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/dh

  
\_\_\_\_\_  
**Kevin Scully**  
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**

Jeanette Cowens  
2524 Clark Street  
Detroit, MI 48209

Wayne County (District 41), DHHS

BSC4 via electronic mail

EQAD via electronic mail

D. Smith via electronic mail

**Authorized Hearing Rep.**

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██████████ MI ██████████

**Petitioner**

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**ISSUE**

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**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 received Petitioner's application for Medical Assistance (MA).
2. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED], and she is eligible for Medicare. Exhibit A, pp 15-17.
3. Petitioner receives a monthly pension in the gross monthly amount of \$[REDACTED]
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**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

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**Authorized Hearing Rep.**

[REDACTED], MI [REDACTED]

**Petitioner**

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