



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: December 19, 2018
MAHS Docket No.: 18-010853
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; 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 December 12, 2018, from Detroit, Michigan. The Petitioner was represented by [REDACTED], Guardian. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistance Payments Supervisor.

ISSUE

Did the Department properly deny Petitioner's August 7, 2018 application for Medical Assistance (MA) benefits?

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 an application for MA benefits as Petitioner was residing in a Long Term Care (LTC) facility.
2. The application also requested three months of retroactive coverage.
3. On August 14, 2018, the Department sent Petitioner's Guardian a Verification Checklist (VCL) which requested financial documents to be submitted on or before September 4, 2018.
4. Petitioner's Guardian submitted documentation to show that \$9,000.00 had been withdrawn from an IRA.

5. On September 11, 2018, the Department sent Petitioner's Guardian a second VCL again requesting documents from financial institutions in an effort to determine how the \$9,000.00 was used.
6. Petitioner's Guardian submitted documentation to show that on July 27, 2018, the \$9000 was deposited into Petitioner's bank account.
7. On October 1, 2018, the Department sent Petitioner's Guardian a Health Care Determination Notice which indicated that Petitioner's application for MA benefits had been denied due to exceeding the asset limit.
8. On October 19, 2018, 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 (July 2017), p. 1.

Further, **assets** include the following:

- Cash (see Cash in this item).
- Personal property. **Personal property** is any item subject to ownership that is not real property (examples: currency, savings accounts and vehicles).
- Real property. **Real property** is land and objects affixed to the land such as buildings, trees and fences. Condominiums are real property. *Id.*

The MA asset limit is \$3,000.00. BEM 400, p. 7. In this case, the Department received an application on [REDACTED] 2018 which requested retroactive coverage for the preceding three months. On August 14, 2014, the Department sent Petitioner's AHR a VCL requesting proof of current banking accounts and IRA accounts. Petitioner's AHR submitted information showing that \$9,000.00 was withdrawn from an IRA account in May 2018. Because the Department was unable to determine what happened to the withdrawn funds, it sent Petitioner's AHR a second VCL on September 11, 2018. In response, Petitioner's AHR submitted banking account information to show that the \$9,000.00 was deposited into Petitioner's account on July 27, 2018.

On October 1, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice which notified Petitioner that her application for MA benefits had been denied because her assets exceeded the allowable limit. Petitioner's AHR explained that once he was informed that Petitioner's assets exceeded the allowable limit, he took steps to purchase burial coverage for Petitioner. Petitioner received approval from the court to withdraw money from Petitioner's account in September 2018. Petitioner's AHR has reapplied for benefits on her behalf.

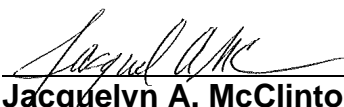
The evidence in this case shows that at the time of application, Petitioner was over the asset limit. Therefore, the Department denied Petitioner's application for MA benefits and retroactive coverage.

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 [REDACTED], 2018 application for MA benefits.

DECISION AND ORDER

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

JAM/tlf



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) 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

Via Email:

MDHHS-Wayne-82-Hearings
BSC4 Hearing Decisions
EQAD
D. Smith

Petitioner – Via USPS

[REDACTED]
[REDACTED]
[REDACTED]

Authorized Hearing Rep. – Via USPS

[REDACTED]
[REDACTED]
[REDACTED]