



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS  
DIRECTOR

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██████████, MI ██████████

Date Mailed: June 30, 2020  
MOAHR Docket No.: 20-001800  
Agency No.: ██████████  
Petitioner: ██████████ ██████████

**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 June 2, 2020, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by Olivia Synski, Eligibility Specialist. Department Exhibit 1, pp. 1-18 was received and admitted.

### **ISSUE**

Did the Department properly deny Petitioner's application for the Medicare Savings Program because he was 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 ██████████ ██████████ 2019 Petitioner applied for Medicaid, State Emergency Relief, Medicare Savings Program.
2. The only issue is dispute is Petitioner's eligibility for the Medicare Savings Program.
3. Petitioner owns four vehicles.
4. The 3 highest value vehicles that Petitioner owns have a value of \$10,750.

## **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.

For Medicare Savings Programs (BEM 165) the asset limit is:

For an asset group of one:

\$7,860 effective January 1, 2020.

\$7,730 effective April 1, 2019. BEM 400

### **SI-Related MA Vehicle Exclusion**

#### **SSI-Related MA Only**

Exclude one motorized vehicle owned by the asset group. If the asset group owns multiple motorized vehicles:

- Use the Employment Asset Exclusions first, then

From any remaining motorized vehicles, exclude the one with the highest equity value.

BEM 400

In this case, Petitioner owns four vehicles. Department policy says to exclude the most valuable vehicle. BEM 400 Petitioner's most valuable vehicle is worth \$12,900. Petitioner's other vehicles are worth \$4,100, \$2,050, and \$4,600. The total value of Petitioner's 3 least valuable vehicles is \$10,750. This is over the \$7,730 asset limit and therefore the denial of Petitioner's Medicare Savings Program application due to excess assets is proper and correct. BEM 400 The Department utilized Kelly Blue Book in determining the value of Petitioner's vehicles in accordance with Department policy. BEM 400

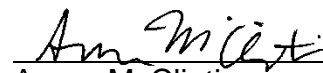
Petitioner testified at hearing that the vehicles he owns are worth far less than the estimates utilized by the Department due to repair issues and condition of the vehicles. Department policy does not allow for Petitioner to value his own vehicles. Petitioner inquired about his vehicles being appraised and was told by an appraiser that it would cost \$350 per vehicle which was too costly. Without a competing objective appraisal of Petitioner's vehicles, the undersigned Administrative Law Judge has to accept the Department's valuations because they are consistent with Department policy. BEM 400

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 Medicare Savings Program application due to excess assets.

**DECISION AND ORDER**

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

AM/nr



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Aaron McClintic  
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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-8139

**DHHS**

Mariah Schaefer  
3255 122nd Ave Ste 300  
Allegan, MI  
49010

Allegan County DHHS- via electronic mail

BSC3- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

**Petitioner**

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