



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]

Date Mailed: June 9, 2020
MOAHR Docket No.: 20-002025
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 June 2, 2020, from Lansing, Michigan. Petitioner represented himself. The Department was represented by Amber Gibson.

ISSUE

Did the Department of Health and Human Services (Department) properly close Petitioner's 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 January 4, 2020, the Department sent Petitioner a Redetermination (DHS-1010) form requesting that it be returned by February 3, 2020. Exhibit A, pp 8-15.
2. On February 14, 2020, the Department notified Petitioner that he was not eligible for Medical Assistance (MA) benefits effective March 1, 2020. Exhibit A, pp 4-7.
3. On February 25, 2020, the Department received Petitioner's completed Redetermination (DHS-1010) form. Exhibit A, p 8.
4. On March 10, 2020, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of the cash assets in his bank accounts. Exhibit A, pp 18-19.
5. On February 27, 2020, the Department received Petitioner's request for a hearing. Exhibit A, p 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.

Petitioner was an ongoing MA recipient on January 4, 2020, when the Department sent him a Redetermination (DHS-1010) form requesting that it be returned by February 3, 2020. When that form was not received in a timely manner, the Department initiated closure of Petitioner's MA benefits. On February 25, 2020, the Department received Petitioner's Redetermination form, which was before his MA benefits closed. Since Petitioner had complied with the MA program requirements before the negative action date, reinstatement of those benefits was appropriate as directed by BAM 205.

While there are categories of MA benefits where there is no asset limit, those categories are only available to individuals 19-64 years of age and not eligible for Medicare. Department of Health and Human Services Bridges Eligibility Manual (BEM) 137 (June 1, 2010), p 1.

The asset limit for a married person over 64 years-of-age is \$3,000. Department of Health and Human Services Bridges Eligibility Manual (BEM) 400 (April 1, 2020), p 9.

Petitioner did not dispute that he owns rental property and that the security deposits for those properties are held in his personal bank account. Petitioner did not dispute that those bank accounts exceed \$3,000, and that the security deposits are comingled with his other funds. Because the security deposits are comingled with his business income, those funds cannot be excluded as income producing business assets. Although those funds are held in trust for leaseholders, those assets cannot be excluded for the purposes of MA eligibility because they are available for Petitioner's use and they are not held in a Medicaid trust.

Petitioner bears the burden of establishing his eligibility for MA benefits. The hearing record establishes that Petitioner complied with MA program requirements before those benefits closed, but Petitioner failed to establish that he is eligible for those benefits based on countable assets as defined in BAM 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 determined Petitioner's eligibility for Medical Assistance (MA).

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr



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 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

Amber Gibson
5303 South Cedar
P.O. Box 30088
Lansing, MI
48911

Ingham County DHHS- via electronic mail

BSC2- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

██████████ - via first class mail

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