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

ORLENE HAWKS DIRECTOR



| Date Mailed: June 14, 2021 |
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| MOAHR Docket No.: 21-002329 |
| Agency No.: |
| Petitioner: |

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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 3, 2021, from Lansing, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Amy Beal, Family Independence Specialist (FIS).

<u>ISSUE</u>

Did the Department properly determine that the Petitioner had excess assets 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 2021, the Petitioner applied for MA. Department Exhibit 1, pgs. 9-10.
- 2. On the Interview Guide of November 10, 2020 from the Department Caseworker, the Respondent did report having three cars of a 2012 Mercedes Benz, 2008 GMC Sierra, and a 2005 Toyota Corolla. Department Exhibit 1, pgs. 11-17.
- 3. On May 12, 2021, the Department Caseworker sent the Petitioner a Benefit Notice, DHS 176, that her MA application was denied due to excess assets, but a notice was not mailed due to Department error on February 22, 2021. Department Exhibit 1, pgs. 18-21.

4. On April 23, 2021, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

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.

In this case, the Petitioner applied for MA on February 19, 2021. Department Exhibit 1, pgs. 9-10. On the Interview Guide of November 10, 2020 from the Department Caseworker, the Respondent did report having three cars of a 2012 Mercedes Benz, 2008 GMC Sierra, and a 2005 Toyota Corolla. Department Exhibit 1, pgs. 11-17. On May 12, 2021, the Department Caseworker sent the Petitioner a Benefit Notice, DHS 176, that her MA application was denied due to excess assets, but a notice was not mailed due to Department error on February 22, 2021. Department Exhibit 1, pgs. 18-21. On April 23, 2021, the Department received a hearing request from the Petitioner, contesting the Department's negative action. BEM 400.

During the hearing, the FIS explained that the Petitioner had excess assets because of her vehicle ownership. Only one car is allowed to be exempted. The Department picks the most expensive vehicle and exempts it from being counted. Since the Petitioner is married, she is allowed \$3,000 in assets. The other two vehicles were valued at \$5,675, which was over the \$3,000 asset limit.

The Petitioner brought an assessed value for one of the cars from a car dealership that was less than the Department's Blue Book value. She was willing to do one for the other car as well. The FIS reminded her that her total assets have to less than \$3,000 that the Department stopped counting her assets when she failed the asset limit with her vehicles. The Petitioner was encouraged to reapply for MA benefits.

DECISION AND ORDER

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 the Petitioner's MA application due to excess assets.

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

Carmon &. Salie

CF/nr

Carmen G. Fahie Administrative Law Judge for Elizabeth Hertel, 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 | Bob Bush 205 E. Cayuga St PO Box 316 Bellaire, MI 49615 |
|------------|--|
| | Antrim County DHHS- via electronic mail |
| | BSC1- via electronic mail |
| | D. Smith- via electronic mail |
| | EQAD- via electronic mail |
| Petitioner | - via first class mail |