



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: September 21, 2022  
MOAHR Docket No.: 22-003437  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun**

**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 September 14, 2022, from Detroit, Michigan. Petitioner did not appear for the hearing. [REDACTED], Petitioner’s husband/Authorized Hearing Representative (AHR) appeared for the hearing. The Department of Health and Human Services (Department) was represented by Renisha Black, Assistance Payments Worker.

**ISSUE**

Did the Department properly deny Petitioner's husband’s 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. Petitioner’s husband/AHR [REDACTED] started receiving Medicare benefits.
2. On or around [REDACTED] 2022, an application for MA benefits was submitted to the Department requesting Medicare Savings Program (MSP) coverage for [REDACTED] (Exhibit A, pp. 10-22)
3. Petitioner’s husband timely returned requested verification of his income.
4. An asset detection report was completed by the Department and identified among others, bank accounts associated with [REDACTED] name including a [REDACTED] [REDACTED] savings account ending in [REDACTED], a [REDACTED] checking account ending

in [REDACTED], a [REDACTED] checking account ending in [REDACTED], and a [REDACTED] checking account ending in [REDACTED] (Exhibit A, pp. 33-36)

5. On or around May 27, 2022, the Department sent Petitioner a Verification Checklist (VCL), instructing her to submit proof of her and [REDACTED] bank account asset information by June 6, 2022. (Exhibit A, pp.37-38)
6. On or around May 31, 2022, [REDACTED] returned some of the requested bank account statements; however, the Department determined that there were additional bank statements that Petitioner and/or [REDACTED] failed to submit. (Exhibit A, pp. 39-46) verification of
7. On or around June 7, 2022, the Department sent Petitioner a Health Care Coverage Determination Notice, advising her that [REDACTED] [REDACTED] was ineligible for MSP benefits because he failed to return complete verification of bank account information. Specifically, the Department informed Petitioner that bank statements for the [REDACTED] checking account ending in [REDACTED] and [REDACTED] checking account ending in [REDACTED] were not submitted. (Exhibit A, pp.47-49)
8. On or around August 11, 2022, a hearing was requested disputing the denial of [REDACTED] [REDACTED] MSP coverage. (Exhibit A, pp. 4-6)

### **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 hearing was requested to dispute the Department's determination that [REDACTED] was ineligible for MSP benefits due to a failure to return verification of requested bank account asset information.

Additionally, asset eligibility is required for MA coverage under SSI-related MA categories, which are categories providing MA coverage to individuals who are aged, blind or disabled. BEM 400 (April 2022), p. 1-2, 6; BEM 105 (January 2022), p. 1. This includes the MSP. Checking and savings accounts are assets. The Department will consider the value of cash assets (which includes money in checking and savings

accounts) in determining a client's asset eligibility for MA. BEM 400, pp. 14-16. The Department will utilize an asset verification program to electronically detect unreported assets belonging to applicants. Asset detection may include the following sources at financial institutions: checking, savings, and investment accounts, IRAs, treasury notes, certificates of deposit (CDs), annuities and any other assets that may be held or managed by a financial institution. BEM 400, pp.1-2.

An asset must be available to be countable. Available means that someone in the asset group has the legal right to use dispose of the asset. For jointly owned assets that have more than one owner, an asset is unavailable if all the following are true, and an owner **cannot** sell or spend his share of an asset: without another owner's consent, the other owner is not in the asset group, and the other owner refuses consent. BEM 400, pp. 12.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (January 2022), p.1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department can obtain the verification despite a reasonable effort, the Department is to use the best available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, p. 3.

For MA cases, clients are given 10 calendar days (or other time limit specified in policy) to provide the verifications requested by the Department. BAM 130, pp. 7-9. If the client cannot provide the verification despite a reasonable effort, the Department is to extend the time limit to submit the verifications up to two times. BAM 130, pp. 7-9. Verifications are considered to be timely if received by the date they are due. BAM 130, pp. 7-9. The Department will send a negative action notice when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, pp. 8-9.

At the hearing, the Department representative testified that in connection with the application, the Department completed an asset detection report which identified several bank accounts associated with Petitioner and/or [REDACTED]. As a result, it sent the May 27, 2022, VCL instructing the Petitioner and her husband to submit verification of bank account checking and savings information by June 6, 2022. The Department testified that although [REDACTED] returned some of the bank account statements identified on the asset detection report, because he failed to submit verification of the [REDACTED] checking account ending in [REDACTED] and [REDACTED] checking account ending in [REDACTED] to the Department by the due date, the Department sent the [REDACTED] 2022, Health Care Coverage Determination Notice, advising of the denial of the MSP application. The Department representative testified that there was no request for extension submitted by Petitioner or her AHR and no request for assistance with obtaining verifications.

At the hearing, Petitioner's AHR testified that he applied for MSP benefits because he turned [REDACTED] and enrolled in Medicare and needed assistance with his Medicare

Premiums. [REDACTED] did not dispute that he received the VCL and testified that in response, he returned the requested verification of his bank account asset information. When asked specifically about the two accounts at issue identified by the Department as having not been received, Petitioner's AHR testified that the [REDACTED] account ending in [REDACTED] is an account that he opened for his high school daughter and although his name is on the account, he only uses the account to deposit money for his daughter to use. With respect to the [REDACTED] account ending in [REDACTED], Petitioner's AHR testified that this is his personal checking account that he did not know was being requested and that he was not aware the Department needed this information as it is a private account. [REDACTED] confirmed that he did not timely submit verification of the two bank accounts at issue.

Upon review, based on the above referenced policy, Petitioner and [REDACTED] are required to submit verification of all cash assets and bank account information including those for which he is a joint owner as the assets are available.

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 because Petitioner and her AHR failed to establish that Petitioner and/or [REDACTED] timely submitted verification of all bank account asset information as required, the Department acted in accordance with Department policy when it denied [REDACTED] request for MSP coverage. Petitioner and [REDACTED] are advised that he is entitled to submit a new application for MSP benefits and his eligibility will be reviewed.

**DECISION AND ORDER**

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



---

**Zainab A. Baydoun**  
Administrative Law Judge

ZB/tm

