



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: May 26, 2023  
MOAHR Docket No.: 23-001672  
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 April 26, 2023, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Candice Benns, Hearing Facilitator.

### **ISSUE**

Did the Department properly close Petitioner's Medical Assistance (MA) case?

### **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 was an ongoing recipient of MA benefits under the Ad Care category.
2. Petitioner was also a recipient of Food Assistance Program (FAP) benefits. In connection with a redetermination, Petitioner's eligibility to receive FAP benefits was reviewed. Petitioner submitted updated income and asset information to the Department in connection with the FAP redetermination.
3. The Department asserted that based on the asset information submitted, Petitioner's MA eligibility was also reviewed, as this was a reported change.
4. Petitioner submitted bank statements to the Department showing that the available balance in his checking account is \$2,383.14 and the available balance in his savings account is \$6,047.96, for a total available balance of \$8,431.10. (Exhibit A, pp. 8-11)

5. On or around March 9, 2023, the Department sent Petitioner a Health Care Coverage Determination Notice (Notice) advising him that effective April 1, 2023, he was determined ineligible for MA because the value of his countable assets is higher than allowed. (Exhibit A, pp. 15-16)
6. On or around March 23, 2023, Petitioner requested a hearing disputing the Department's closure of his MA case. (Exhibit A, p. 5)

### **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, Petitioner requested a hearing disputing the Department's actions with respect to the closure of his MA case. At the hearing, Petitioner asserted that he was also disputing the Department's actions with respect to his FAP case. However, a review of Petitioner's March 23, 2023, request for hearing indicates that Petitioner specifically disputed the cancellation of his healthcare benefits. Because Petitioner did not specifically indicate that he was disputing the Department's actions regarding the FAP, the Department did not prepare a Hearing Summary or any supporting documentation regarding Petitioner's FAP case. Petitioner was advised that in accordance with BAM 600, the undersigned Administrative Law Judge did not have the authority to address any action taken by the Department with respect to his FAP case, as it was not specifically requested in the March 23, 2023, request for hearing. Petitioner was informed that he was entitled to request a hearing to dispute the Department's actions regarding his FAP case if he so chooses. The hearing proceeded with respect to the closure of Petitioner's MA case.

At the hearing, the Department contended that Petitioner was ineligible for MA under the Ad Care category because the value of his countable assets exceeded the limit for MA eligibility. 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. Ad Care is an SSI-related MA category. BEM 400 (January 2023), p. 1-2, 6-7; BEM 105 (January 2021), p. 1; BEM 163 (July 2017), p.1. 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. 14-15. Asset eligibility will exist when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400, pp. 6-7. The asset limit for Petitioner's MA asset group size of one is \$2,000. BEM 400, pp. 6-9; BEM 211 (July 2019), pp. 1-8.

It was established that Petitioner is potentially eligible for MA under an SSI-related category that is subject to an asset test. The Department representative testified that in making its determination that Petitioner had excess assets, it considered the value of his cash assets, specifically, the account balances reflected on the bank statements submitted. The Department representative testified that according to the bank statements submitted, the lowest available balance in the two accounts was \$2,383.14 in Petitioner's checking account and \$6,047.96 in his savings account. The Department representative testified that because the balance was greater than the \$2,000 MA asset limit, Petitioner was ineligible for MA and the closure of his MA case effective April 1, 2023, was initiated through the issuance of the March 9, 2023, Health Care Coverage Determination Notice.

Petitioner raised concerns with respect to his income eligibility for MA and was advised by the Department that the reason for the MA case closure was related to assets and not income. While the Health Care Coverage Determination Notice also makes reference to an income amount of [REDACTED] that was used to determine Petitioner's Health Care Coverage, it was clear, based on the denial/closure information outlined in the Health Care Coverage Determination Notice that the reason for the intended action to close Petitioner's MA case effective April 1, 2023, was that the value of his countable assets is higher than allowed.

Petitioner did not dispute that during the month being tested, he was the owner of two bank accounts and that he submitted the above referenced bank statements to the Department. Petitioner further did not dispute that the available cash balances in his bank accounts was greater than \$2,000. Petitioner testified that in January or February 2023, he took out a loan for \$5,000 to be used towards medical costs. Petitioner also testified that the money in his bank accounts included the stimulus checks received from the federal government in response to the COVID-19 pandemic, as well as the loan for medical costs. Petitioner did not specify the amount of his stimulus checks and it was unknown when the funds were deposited into his account. There was also no evidence that the amount of the funds, even if excluded, would bring the value of the available cash assets in Petitioner's bank accounts to lower than the allowable \$2,000 asset limit. With respect to the loan identified by Petitioner, a review of BEM 400 shows that the amount of the funds is countable and not considered an excluded cash asset. BEM 400, pp. 18-21. It was also unclear whether the loan was deposited into Petitioner's checking or savings account, as on the bank statements submitted, the loan account has a different account number and had a separate current balance of \$4,818.90.

Upon review, therefore, because the value of Petitioner's cash assets was greater than the \$2,000 limit, the Department properly closed Petitioner's MA case.

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 closed Petitioner's MA case effective April 1, 2023, due to excess assets.

**DECISION AND ORDER**

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

ZB/ml

  
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**Zainab A. Baydoun**  
Administrative Law Judge

**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

**Via Electronic Mail:**

**DHHS**

Tracy Felder  
Wayne-Southwest-DHHS  
2524 Clark Street  
Detroit, MI 48209

**MDHHS-Wayne-41-Hearings@michigan.gov**

**Interested Parties**

BSC4  
M Schaefer  
EQAD  
MOAHR

**Via First Class Mail:**

**Petitioner**

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