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 16, 2023 MOAHR Docket No.: 23-002660

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Ellen McLemore

### **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 14, 2023, from Detroit, Michigan. Petitioner was present and was unrepresented. The Department of Health and Human Services (Department) was no present.

## **ISSUE**

Did the Department properly deny Petitioner'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. On March 14, 2023, Petitioner submitted an application for MA benefits.
- 2. On April 26, 2023, the Department sent Petitioner a Health Care Coverage Determination Notice informing him that his MA application was denied.
- 3. On May 8, 2023, Petitioner submitted a request for hearing disputing the Department's actions.

## **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 submitted an application for MA and Medicare Savings Program (MSP) benefits. Petitioner was approved for MSP benefits, but his application for MA benefits was denied. Petitioner submitted verification of his checking and savings accounts. The Department determined Petitioner had excess assets for the MA program.

As a Medicare recipient, Petitioner is only eligible for SSI-related MA benefits. BEM 165 (July 2017), p. 1. For SSI-related MA, countable assets cannot exceed the limit under BEM 400. BEM 165, p. 8. Countable assets are determined based on MA policies in BEM 400, 401 and 402. BEM 165, p. 8. For SSI-Related Medicaid the department will utilize an asset verification program to electronically detect unreported assets belonging to applicants and beneficiaries. BEM 400 (January 2018), p. 1. 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 asset that may be held or managed by a financial institution. BEM 400, p. 1. All types of assets are considered for SSI-related MA categories. BEM 400, p. 3. The asset limit for a group of one for SSI-related MA is \$2,000. BEM 400, p. 8.

Petitioner was unmarried, and therefore, per policy, his fiscal group size for SSI-related MA is one. BEM 211 (January 2016), p. 8. Thus, Petitioner's assets cannot exceed \$2,000. Petitioner conceded that he had \$7,141.48 in his savings account and \$946.06 in his checking account. As Petitioner's assets exceed the limit for his group size for SSI-related MA, the Department acted in accordance with policy when it denied his MA application.

## **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 Petitioner's MA application. Accordingly, the Department's decision is **AFFIRMED**.

Ellen McLemore

Administrative Law Judge

EM/tm

**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

<u>Via-Electronic Mail :</u> DHHS

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**Interested Parties** 

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