



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
ACTING DIRECTOR



Date Mailed: September 7, 2023
MOAHR Docket No.: 23-004067
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 August 30, 2023, from Detroit, Michigan. Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Kaylie Polk, Eligibility Specialist.

ISSUE

Did the Department properly close Petitioner's Food Assistance Program (FAP) and Medical Assistance (MA) cases?

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 FAP and MA benefits. In connection with a redetermination, Petitioner's eligibility to receive benefits was reviewed.
2. On or around June 8, 2023, Petitioner submitted a completed redetermination to the Department, on which she reported that she has no assets.
3. Because Petitioner previously had bank accounts and a vehicle identified in the Bridges system as assets, on June 15, 2023, the Department sent Petitioner a Verification Checklist (VCL) instructing her to submit verification of her assets by June 26, 2023.

4. On or around June 23, 2023, Petitioner participated in a redetermination interview, during which she reported having a savings account at [REDACTED] Bank with an account balance of \$200 and a second savings account at [REDACTED] Bank with a balance of \$23,000.
5. On or around June 23, 2023, the Department sent Petitioner a Notice of Case Action, advising her that effective August 1, 2023, her FAP case would be closed because the value of her countable assets is higher than allowed for the program.
6. On or around June 27, 2023, Petitioner submitted a bank statement from [REDACTED] Bank for the statement period of April 1, 2023 through May 31, 2023, showing an ending balance of \$25,518.56. Petitioner also submitted a bank statement for June 1, 2023 through June 20, 2023, for her account at [REDACTED] Bank showing an ending balance of \$434.84.
7. On or around June 27, 2023, the Department sent Petitioner a Health Care Coverage Determination notice, advising her that effective August 1, 2023, MA case would be closed on the basis that the value of her countable assets is higher than allowed for the program, and she is no longer eligible for MA benefits.
8. On or around July 5, 2023, Petitioner requested a hearing disputing the Department's actions with respect to the closure of her FAP and MA benefits.

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

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 closure of her FAP and MA cases. The Department contended that Petitioner was ineligible for FAP and MA because the value of her countable assets exceeded the limit for FAP and MA eligibility. Asset eligibility is required for the FAP and 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), pp. 1-2, and 6; BEM 105 (January 2022), 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 FAP and 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, p. 6. The asset limit for Petitioner's MA asset group size of one is \$2,000. BEM 400, pp. 7-9; BEM 211 (January 2016), pp. 1-8. The asset limit for the FAP is \$15,000. An asset must be available to be countable. Available means that someone in the asset group has the legal right to use or 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.

It was established that Petitioner is potentially eligible for MA under an SSI-related category that is subject to an asset test. Although the Department did not present an Asset Budget for review showing the exact breakdown of assets considered, the Department testified that in making its determination that Petitioner had excess assets, the Department relied on the information obtained from the redetermination interview and the bank statements submitted for review, specifically considering the value of the cash assets in the joint bank account held by Petitioner, her mother, and her sister from [REDACTED] Bank the lowest balance of which totaled greater than \$15,000. The bank statements were presented during the hearing for review. Petitioner confirmed that she was the joint owner of the bank account at issue. While Petitioner asserted that her income is not deposited into the account, Petitioner further confirmed that she has access to the joint account and is able to withdraw and deposit money in the account.


Therefore, because the value of Petitioner's cash assets was greater than the \$2,000 MA asset limit and greater than the \$15,000 FAP asset limit at the time of the redetermination, the Department properly closed Petitioner's FAP and MA cases effective August 1, 2023.

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 that Petitioner was ineligible for FAP and MA benefits due to excess assets.

DECISION AND ORDER

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

ZB/ml



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
Kim Cates
Bay County DHHS
1399 W. Center Road
Essexville, MI 48732
MDHHS-Bay-Hearings@michigan.gov

Interested Parties

BSC2
M Schaefer
EQAD
MOAHR

Via First Class Mail:

Petitioner

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