



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

[REDACTED]
MI [REDACTED]

Date Mailed: November 30, 2023
MOAHR Docket No.: 23-006341
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 October 31, 2023, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by Melissa Stanley Hearing Facilitator. Department Exhibit 1, pp. 1-48 was received and admitted.

ISSUE

Did the Department properly deny Petitioner's Medical Assistance (MA) application due to excess income and assets?

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 receiving MA benefits.
2. On May 24, 2023, redetermination paperwork was sent to Petitioner. (Ex. 1, pp. 11-17)
3. On June 23, 2023, a Health Care Coverage Determination Notice was sent to Petitioner informing him that he and household member Muna Dasuqi are no longer eligible for MA.

4. On July 10, 2023, a Verification Checklist was sent to Petitioner requesting information regarding checking accounts.
5. On July 14, 2023, a Verification Checklist was sent to Petitioner requesting information regarding tax refund.
6. On July 26, 2023, a Health Care Coverage Determination Notice was sent to Petitioner informing him that [REDACTED] was eligible for full coverage Medicaid, [REDACTED] was eligible for Plan First Medicaid and [REDACTED] was eligible for Plan First Medicaid. (Ex. 1, pp. 34-39)
7. On September 29, 2023, a Benefit Notice was sent to Petitioner that states the following: "The denial is based off your income and assets. At this time [REDACTED] and [REDACTED] are over the countable income for the program of Medicaid. The notice that was sent was sent stating you requested the case to be closed was in error. Income exceeds the limits for the program." (Ex. 1, pp. 45-48)
8. Petitioner had \$4,877 in a State Bank bank account. (Ex. 1, pp. 28-33)
9. Petitioner had [REDACTED] in annual income. (Ex. 1, p.44)

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.

Income Eligibility

Income eligibility exists when net income does not exceed the Group 2 needs in BEM 544. Apply the MA policies in BEM 500, 530, 540 (for children) or 541 (for adults), and 544 to determine net income. If the net income exceeds Group 2 needs, MA eligibility is still possible per BEM 545.

SSI-Related MA Asset Limit

SSI-Related MA Only

For Freedom to Work (BEM 174) The asset limit for the initial eligibility determination is set to the current asset limit for a group of one in the Medicare

Savings Program (listed below). Once eligibility for FTW has been established the countable asset limit increases to \$75,000 for ongoing Medicaid. IRS recognized retirement accounts (including IRAs and 401(k)s) may be of unlimited value. These retirement accounts may continue to be excluded as assets from future MA eligibility determinations; see BEM 174.

For Medicare Savings Programs (BEM 165) the asset limit is:

- For an asset group of one: \$9,090 effective January 1, 2023. \$8,400 effective January 1, 2022. \$7,970 effective January 1, 2021. \$7,860 effective January 1, 2020.
- For an asset group of two: \$13,630 effective January 1, 2023. \$12,600 effective January 1, 2022. \$11,960 effective January 1, 2021. \$11,800 effective January 1, 2020.

For QDWI (BEM 169) the asset limit is:

- \$4000 for an asset group of one.
- \$6000 for an asset group of two.

For all other SSI-related MA categories (BEM 400), the asset limit is:

- \$2,000 for an asset group of one.
- \$3,000 for an asset group of two.


In this case, Petitioner had \$4,877 in countable assets at the time eligibility was run. (Ex. 1, pp. 28-33). The asset limit for MA is \$3,000. BEM 400. Therefore, Petitioner was over the asset limit and the closure due to excess assets was proper and correct. In addition, Petitioner had [REDACTED] in annual household income. The income limit for HMP for a group size of 2 is \$26,227. Therefore, Petitioner was also over the income limit.

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 due to excess income and assets.

DECISION AND ORDER

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

AM/ml



Aaron McClintic
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
Elisa Daly
Saginaw County DHHS
411 East Genesee
Saginaw, MI 48607
MDHHS-Saginaw-Hearings@michigan.gov

Interested Parties
BSC2
M Schaefer
EQAD
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Via First Class Mail:

Authorized Hearing Rep.

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