



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS  
DIRECTOR

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Date Mailed: May 2, 2022  
MOAHR Docket No.: 22-001469  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE: Danielle Nuccio**

**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 28, 2022. The Petitioner was represented by her Power of Attorney (POA) and Authorized Hearing Representative (AHR), Ellen James. The Department of Health and Human Services (MDHHS) was represented by Dawn Burnett, Assistant Payments Supervisor, and Gina Matthews, Eligibility Specialist.

**ISSUE**

Did MDHHS properly deny Petitioner's ██████████ 2022 application for Medical Assistance (MA) due to excess 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. On ██████████, 2022, Petitioner submitted an application for MA to MDHHS.
2. Petitioner provided to MDHHS documentation that, as of January 26, 2022, her life insurance policy cash surrender value was \$2,337.50 (Exhibit A, pp. 10-12).
3. As of Petitioner's application date, her Bank of America checking account balance was \$436.24 (Exhibit A, p. 9).
4. On February 25, 2022, MDHHS issued a Health Care Coverage Determination Notice to Petitioner notifying her that she was not eligible for MA benefits due to excess assets. MDHHS calculated that Petitioner's annual income amount was \$██████████ (Exhibit A, pp. 6-8).

5. On March 28, 2022, MDHHS received Petitioner's timely submitted hearing request disputing the denial of her MA application due to excess assets (Exhibit A, pp. 3-4).

### **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 disputes the denial of her January 13, 2022 MA application due to excess assets. Assets are considered in determining eligibility for Supplemental Security Income (SSI)-Related MA programs. BEM 400 (January 2022), p. 1. SSI-Related MA categories include MA benefits for people who are age 65 or older, blind, disabled, entitled to Medicare, or formerly blind or disabled. BEM 105 (January 2021), p. 1. Since Petitioner is aged and disabled, she may be eligible for SSI-Related MA benefits. Petitioner is a widow and therefore a group size of one. The SSI-related MA asset limit for a group size of one is \$2,000.00. BEM 400, p. 9. Asset eligibility exists when countable assets are less than or equal to the asset limit at least one day during the month being tested. BEM 400, p. 7. Assets include cash, personal property, and real property. BEM 400, pp. 1-2. Personal property includes currency, savings/checking accounts, funeral plans, life insurance policies, and other items. BEM 400, p. 2. MDHHS is required to verify the value of countable assets at application, redetermination, and when there is a reported change. BEM 400, p. 62.

In this case, Petitioner's AHR confirmed that Petitioner's cash surrender value of her life insurance policy at the time of application was \$2,337.50. The AHR also confirmed that Petitioner's liquid assets, her checking account balance, was \$436.24, at the time of the application. The total value of these assets was \$2,773.74. Since this exceeds the asset limit for a group size of one for SSI-related MA, MDHHS acted in accordance with policy in denying Petitioner's application due to excess assets.

At the hearing, the AHR reported that Petitioner has now surrendered her life insurance policy in order to pay for medical bills that she has incurred. The AHR was advised by MDHHS to submit another application and updated documentation for Petitioner.

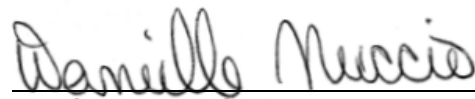
Additionally, the AHR was advised she can submit medical bills from the past three months for MDHHS' consideration.

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 MDHHS acted in accordance with Department policy when it denied Petitioner's MA due to excess assets.

**DECISION AND ORDER**

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

DN/mp



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**Danielle Nuccio**  
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

**Email Recipients:**

MDHHS-Wayne-76-Hearings  
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