



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: November 15, 2022
MOAHR Docket No.: 22-003885
Agency No.: ██████████
Petitioner: ██████████ ██████████

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 hearing was held via telephone conference line on November 2, 2022. Petitioner did not participate. ██████████, Petitioner's daughter, participated as Petitioner's authorized hearing representative (AHR). ██████████, Petitioner's wife, testified on Petitioner's behalf. The Michigan Department of Health and Human Services (MDHHS) was represented by William Carper, specialist

ISSUE

The issue is whether MDHHS properly denied Petitioner's application requesting 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 ██████████ 2022, Petitioner's AHR applied for MA benefits for Petitioner. The application reported a household that included Petitioner's wife and two bank accounts with a combined balance exceeding \$██████████.
2. As of July 2022, Petitioner was married, ██████ years old, not a caretaker to minor children, not pregnant, and a recipient of Medicare.
3. On ██████████ 2022, MDHHS denied Petitioner's application for MA due to Petitioner excess assets.

4. On September 8, 2022, Petitioner's AHR requested a hearing to dispute the denial of MA.

CONCLUSIONS OF LAW

The 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. MDHHS administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MA policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner's AHR requested a hearing to dispute Petitioner's denied application requesting MA benefits. Exhibit A, pp. 4-6. Petitioner's AHR applied for MA benefits for Petitioner on [REDACTED] 2022.¹ Exhibit A, pp. 8-20. A Health Care Coverage Determination Notice dated [REDACTED] 2022, stated that Petitioner was denied MA benefits due to excess assets.² Exhibit A, pp. 23-27.

Medicaid is also known as MA. The MA program comprise several sub-programs or categories. To receive MA under a Supplemental Security Income (SSI)-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MICHild and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology. BEM 105 (April 2017), p. 1.

Assets must be considered in determining SSI-Related MA eligibility. BEM 400 (October 2020) p. 1 and 6. SSI-Related Medicaid eligibility considers assets. *Id.*, p. 3. Countable assets include cash. *Id.*, p. 2. There is no asset test for MAGI-related Medicaid categories. *Id.*, p. 3.

As of the application month, Petitioner was [REDACTED] years old, not a caretaker to minor children, not pregnant, and a recipient of Medicare. Petitioner's circumstances render him ineligible for all MAGI Medicaid categories. As a [REDACTED]-year-old, Petitioner is potentially eligible for MA only under SSI-related categories

MDHHS is to not count funds treated as income by a program as an asset for the same month for the same program. BEM 400 (January 2021) p. 23. Asset eligibility exists

¹ Petitioner's AHR testified that Petitioner has been hospitalized numerous times over the past few weeks. If Petitioner were to reside in a long-term care facility, the analysis would differ. However, the evidence in the present case indicated that Petitioner's residence is still in his homestead.

² The notice also stated that Petitioner was not eligible for MA benefits due to not being disabled. This was erroneous as Claimant is [REDACTED]+ years old and potentially eligible to receive MA under a category for aged or disabled persons.

when the asset group's countable assets do not exceed the applicable asset limit at least one day during the month being tested. *Id.*, p. 7. For 2-person SSI-related MA groups, the asset limit is \$3,000. *Id.*, p. 9.

As of the application month, Petitioner was married. As a married individual, Petitioner's SSI-related MA group is two persons. BEM 211 (July 2019) p. 8.

An MA budget counted \$[REDACTED] in assets for Petitioner. Exhibit A, pp. 21-22. MDHHS testified that it counted the reported assets on Petitioner's application from two bank accounts. Exhibit A, pp. 8-20. Petitioner's wife acknowledged that the bank account balances remained essentially unchanged; in other words, there was no evidence that Petitioner's assets dipped below \$3,000 during or since the application month. Although the evidence did not establish Petitioner's income, there was no evidence suggesting that the monthly income received by Petitioner and/or his spouse would have resulted in asset eligibility.

Given the evidence, MDHHS properly counted Petitioner's countable assets to be \$[REDACTED]. Because Petitioner's assets exceeded the \$3,000 asset limit, MDHHS properly denied Petitioner's MA application.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's application requesting MA dated [REDACTED] 2022. The actions taken by MDHHS are **AFFIRMED**.

CG/mp


Christian Gardocki
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
MDHHS-Oakland-DistrictII-Hearings
EQAD Hearings
C. George
MOAHR
BSC4

Via-First Class Mail :

Authorized Hearing Rep.

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

Petitioner

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

Authorized Hearing Rep.

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