



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: October 27, 2023
MOAHR Docket No.: 23-005892
Agency No.: [REDACTED]
Petitioner: [REDACTED] [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on October 25, 2023, from Lansing, Michigan. Petitioner represented himself. The Department was represented by Laura Joiner.

ISSUE

Did the Department of Health and Human Services (Department) properly close Petitioner's Medical Savings Program (MSP) 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. Petitioner was an ongoing recipient of Medical Savings Program (MSP) benefits on June [REDACTED] 2023, when the Department received his completed Redetermination form. Exhibit A, p 11.
2. The Department received a document showing that Petitioner purchased a home in Arkansas that is not his homestead having a valuation of \$[REDACTED] Exhibit A, p 22.
3. On June [REDACTED] 2023, the Department notified Petitioner that he was not eligible for Medical Savings Program (MSP) benefits as of August 1, 2023. Exhibit A, p 5.
4. On September 15, 2023, the Department received Petitioner's request for a hearing protesting the closure of his Medical Savings Program (MSP) benefits. Exhibit A, p 3.

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 through 42 USC 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 through 42 CFR 420.25. The Department administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.103 through MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.*

The Medicare Savings Programs are SSI-related MA categories. There are three categories of Medicare Savings Program (MSP) benefits including the Qualified Medicare Beneficiary (QMB), the Special Low Income Medicare Beneficiary (SLMB), and the Additional Low Income Medicare Beneficiary (ALMB). QMB pays Medicare premiums, and Medicare coinsurances, and Medicare deductibles. QMB coverage begins the calendar month after the processing month. SLMB pays Medicare Part B premiums. SLMB coverage is available for retro MA months and later months. ALMB pays Medicare Part B premiums provided funding is available. The Department of Community Health notifies the Department of Human Services if funding is available. ALMB coverage is available for retro MA months and later months. Department of Human Services Bridges Eligibility Manual (BEM) 165 (October 1, 2022), pp 1-4.

Assets means cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees, and fences. Condominiums are real property. Personal property is any item subject to ownership that is not real property. Countable assets cannot exceed the applicable asset limit. An asset is countable if it meets the availability tests and is not excluded. Available means that someone in the asset group has the legal right to use or dispose of the asset. Department of Human Services Bridges Eligibility Manual (BEM) 400 (July 1, 2023), pp 1-7.

Petitioner was an ongoing MSP recipient when the Department received reliable information that he had purchased real property in Arkansas that is not his homestead. Real property is a countable asset, but a person's homestead is an excludable asset. BEM 400, p 35. The Department determined that the value of this countable asset exceeds the limit for Petitioner to receive MSP benefit, and the Department notified Petitioner that he was not eligible for MSP benefits as of August 1, 2023.

Petitioner argues that his real property is an excluded asset because it was purchased through a land contract and is non-salable based on the terms of that contract.

Petitioner failed to offer any evidence that the real property is non-salable, or that he has any intentions of selling the property.

Further, Petitioner does not possess a land contract, he possesses real property purchases through a land contract. The seller is the holder of the land contract.

Real property is land and objects affixed to the land such as buildings, trees, fences, and condominiums. The Department determines the fair market value of real property and mobile homes from deed, mortgage, purchase agreement or contract, or current property tax records. BEM 400, p 33.

The countable asset limit for Petitioner to receive MSP benefits is \$9,090, and the Department presented reliable information based on property tax records that Petitioner possess real property with a value exceeding that amount. BEM 400, p 8. Petitioner failed to establish that his is eligible for MSP benefits based on his countable assets.

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 Medical Savings Program (MSP) benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/dm



Kevin Scully
Administrative Law Judge
Michigan Office of Administrative Hearings
and Rules (MOAHR)

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
Jennifer Weston
Van Buren County DHHS
MDHHS-VanBuren-
Hearings@michigan.gov

SchaferM

EQADHearings

MOAHR

Via-First Class Mail :

Petitioner
[REDACTED]
[REDACTED]
[REDACTED]