



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: August 7, 2024
MOAHR Docket No.: 24-006503
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 July 31, 2024. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Marcella Towns, hearings coordinator.

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. As of March 2024, Petitioner was disabled, 19-65 years old, a Medicare recipient, not a caretaker to minor children, married but separated, and not pregnant.
2. On March 1, 2024, Petitioner had a savings account with a balance of \$ [REDACTED] the lowest balance for the month.
3. On an unspecified date, Petitioner applied for MA benefits.
4. On May 7, 2024, MDHHS denied Petitioner's MA application due to excess assets.

5. On May 31, 2024, Petitioner 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 requested a hearing to dispute a denial of MA benefits. Exhibit A, pp. 3-4. MDHHS failed to state when Petitioner applied for MA benefits. A Health Care Coverage Determination Notice dated May 7, 2024, stated that Petitioner was ineligible for MA benefits beginning May 2024 due to excess assets. Exhibit A, pp. 5-7

Medicaid is also known as MA. BEM 105 (October 2023) p. 1. The MA program includes several sub-programs or categories. *Id.* 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.¹ *Id.*

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 categories. *Id.*, p. 3.

As of the disputed benefit month, the evidence suggested that Petitioner was disabled, 19-65 years old, a Medicare recipient, not a caretaker to minor children, married but separated, and not pregnant. Petitioner's circumstances render her ineligible for all MAGI Medicaid categories. As a disabled individual, Petitioner is potentially eligible for MA only under SSI-related categories. Thus, cash assets are relevant.

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 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 1-person SSI-related MA groups, the asset limit is \$2,000. *Id.*, p. 9.

¹ Eligibility factors for all MA categories are found in the Bridges Eligibility Manual from BEM 105 through BEM 174.

As of the application month, Petitioner was married, but not residing with her spouse. As a separated individual, Petitioner's SSI-related MA group is one person. BEM 211 (July 2019) p. 8. Thus, the MA asset limit for Petitioner is \$2,000.

Petitioner submitted to MDHHS a statement for March 2024 listing transactions for a savings and checking account. Petitioner's lowest savings account balance during the month was \$ [REDACTED] Exhibit A, pp. 8-12. A deduction for income was not applicable because RSDI was deposited into Petitioner's checking account.³ Petitioner testified her savings account exceeded \$2,000 only because she is saving for vehicle expenses. Petitioner's testimony was sincere but ultimately irrelevant to whether the assets should be counted.

Given the evidence, Petitioner had at least \$ [REDACTED] in assets.⁴ Because Petitioner's assets exceeded the asset limit, MDHHS properly denied Petitioner's MA application.⁵

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 MA application stemming from a denial notice dated May 7, 2024. The actions taken by MDHHS are **AFFIRMED**.

CG/nr



Christian Gardocki
Administrative Law Judge

² The account statement verified respective savings and checking account balances of \$ [REDACTED] and \$ [REDACTED] as of March 31, 2024.

³ Petitioner also testified that her husband's pension is deposited into her checking account. The testimony is irrelevant to Petitioner's savings account assets.

⁴ Actual countable assets might be more if Petitioner's countable checking account balance is more than \$0.

⁵ Petitioner testified her assets have since decreased. Petitioner's testimony is irrelevant to the disputed MDHHS determination, but Petitioner was encouraged to reapply for MA benefits for an updated determination of asset eligibility.

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
Susan Noel
Wayne-Inkster-DHHS
26355 Michigan Ave
Inkster, MI 48141
MDHHS-Wayne-19-Hearings@michigan.gov

Interested Parties

BSC4
M. Schaefer
EQAD
MOAHR

Via-First Class Mail :

Petitioner

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