



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

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Date Mailed: November 8, 2024
MOAHR Docket No.: 24-009497
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

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 10, 2024, from Detroit, Michigan. Petitioner was not present for the hearing. Petitioner was represented by ██████████ Authorized Hearing Representative (AHR). The Department of Health and Human Services (Department) was represented by Nicole Forsythe, Assistance Payments Supervisor.

ISSUE

Did the Department properly determine that Petitioner was ineligible for Medical Assistance (MA) benefits 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. Petitioner was previously an ongoing recipient of MA benefits under the Ad-Care category.
2. On or around ██████████ 2024, Petitioner submitted an application requesting MA benefits. (Exhibit A, pp. 5-15)
3. On or around May 14, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice advising that effective June 1, 2024, she was approved for full coverage MA benefits.
4. On or around June 5, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice advising that effective July 1, 2024, she was ineligible for MA

benefits because the value of her countable assets was higher than allowed. (Exhibit A, pp. 16-21)

5. The Department conceded that it did not send Petitioner a verification checklist instructing her to submit proof of her assets prior to issuing the June 5, 2024, notice of case closure.
6. On or around August 15, 2024, Petitioner requested a hearing disputing the Department's actions. (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 disputed the closure of her MA case effective July 1, 2024, and the Department's finding that the amount of her countable assets exceeded the limit for eligibility.

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise would not have the financial resources to purchase them and who meet the financial and nonfinancial eligibility factors. Medicaid, also known as the Medical Assistance (MA) program, is comprised of several sub-programs or categories. BEM 100 (April 2023), pp. 1-2; BEM 105 (January 2024), p.1. The United States Department of Health and Human Services (HHS) develops and issues federal regulations that set the requirements and guidelines for states to follow in the determination of MA eligibility. BEM 100, pp.1-2.

MA is available under SSI-related categories to individuals who are aged (65 or older), entitled to Medicare, blind or disabled. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105, p. 1. Asset eligibility is required for MA coverage under SSI-related MA categories. BEM 400 (April 2024), p. 1-8; BEM 105, p. 1. The Department will consider the value of cash assets in determining a client's asset eligibility for MA. Cash assets include money/currency, uncashed checks, drafts, and warrants, as well as, money in checking, savings, money market, and/or certificate of deposit (CD or time deposit)

accounts. BEM 400, pp. 14-18. An asset must be available to be countable. Available means that someone in the asset group has the legal right to use or dispose of the asset. The Department is to assume that an asset is available unless evidence shows it is not available. BEM 400, p. 10. Asset eligibility will exist when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400, p. 6. The asset limit for Petitioner's MA asset group size of one \$2,000. BEM 400, pp. 7-8; BEM 211 (October 2023), pp. 1-9.

At the hearing, the Department representative testified that after receiving Petitioner's [REDACTED] 2024, MA application, it determined that the value of her countable assets exceeded the limit for MA eligibility. The Department did not present an MA Asset Budget for review showing the exact breakdown of assets considered but testified that it relied on the asset information Petitioner included on her application, specifically, that she has a checking account with a balance of \$2,150. Additionally, the Department failed to explain how it determined that Petitioner was asset eligible for June 2024 but not July 2024. The Department conceded that it did not send Petitioner a verification checklist instructing her to submit proof of her checking account in connection with the application submitted. The Department acknowledged that it should have sent Petitioner a verification checklist to determine the value of the assets in the month being tested. Furthermore, there was no evidence that the Department considered the lowest balance in Petitioner's checking account as required by Department policy. Therefore, the Department failed to establish that Petitioner's countable assets were higher than allowed for MA eligibility.

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 did not act in accordance with Department policy when it closed Petitioner's MA case effective July 1, 2024.

At the hearing, Petitioner's AHR raised additional concerns about Petitioner's chore provider case and her eligibility for adult home help services case. Petitioner's AHR was advised that any dispute concerning Petitioner's chore provider or home help services case was to be directed to the adult medical services district within the Department, as Petitioner would have received some type of eligibility notice regarding her chore provider case and the current hearing was scheduled to address Petitioner's MA eligibility.


DECISION AND ORDER

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Petitioner's MA case effective July 1, 2024, and redetermine her MA eligibility under the most beneficial category for July 1, 2024, ongoing;
2. If eligible, provide Petitioner with MA coverage under the most beneficial category, that she was entitled to receive but did not from July 1, 2024, ongoing; and
3. Notify Petitioner and her AHR in writing of its decision.

ZB/ml


Zainab A. Baydoun
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

Jeanenne Broadnax
Wayne-Taylor-DHHS
25637 Ecorse Rd.
Taylor, MI 48180

MDHHS-Wayne-18-Hearings@michigan.gov

Interested Parties

BSC4
M Schaefer
EQAD
MOAHR

Via First Class Mail:

Authorized Hearing Rep.

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Petitioner

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