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Date Mailed: February 7, 2025  
MOAHR Docket No.: 24-013565  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner**

**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 by teleconference on January 16, 2025 and the parties participated jointly by Microsoft Teams from the Michigan Department of Health and Human Services (Department) local office. Petitioner appeared and represented herself. The Department was represented by Jamila Goods, Eligibility Specialist.

**ISSUE**

Did the Department properly deny Petitioner Medicaid (MA) and Medicare Savings Program (MSP)?

**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 October 10, 2024, the Department received an application for MA from Petitioner for MA and Medicare Savings Program (MSP). Petitioner reported that she was [REDACTED] years old, not married, a Medicare recipient, and resided in Wayne County. (Exhibit A, pp. 10 – 15).
2. Petitioner receives Retirement, Survivors, and Disability Insurance (RSDI) and Supplemental Security Income (SSI) income of \$[REDACTED] per month and pension income of \$[REDACTED] per month. (Exhibit A, p. 13).
3. At all times relevant to her October 10, 2024 application, Petitioner had interest in several bank accounts, including a savings account ending [REDACTED] at Dearborn Federal Credit Union (DFCU) with a balance of \$[REDACTED], and on which she was listed as an account holder.

4. On October 25, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that denied Petitioner for full coverage MA due to excess assets, and MSP for failure to meet basic criteria for the program, effective December 1, 2024 ongoing. (Exhibit A, pp. 7 – 8).
5. On December 4, 2024, the Department received a request for hearing from Petitioner, disputing the Department's determination as to her MA. (Exhibit A, pp. 3 – 5).

### **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.

Petitioner requested a hearing to dispute the Department's denial of her application for MA and for MSP. The Department denied Petitioner for MA due to excess assets and denied Petitioner MSP for failure to meet program criteria.

Under federal law, an individual is entitled to the most beneficial category, which is the one that results in a) eligibility, b) the least amount of excess income, or c) the lowest cost share. BEM 105 (January 2024), p. 2. All MA category options must be considered in order for the Petitioner's right of choice to be meaningful. BEM 105, p. 2. MA is available (i) under SSI-related categories to individuals who are aged (65 or older), blind or disabled, (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women, and (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105, p. 1; BEM 137 (January 2024), p. 1; BEM 124 (July 2023), p. 1. Because Petitioner is over 65 and is not the caretaker of a minor child, Petitioner is eligible for MA under only SSI-related categories.

Based on Petitioner's circumstances, she was potentially eligible for AD-Care MA or Group 2 Aged, Blind and Disabled (G2S). The AD-Care program is a Group 1, full-coverage, SSI-related MA program for individuals who are income-eligible based on their MA fiscal group size, while G2S is an SSI-related MA program which provides for MA coverage with a monthly deductible. BEM 163 (July 2017), p. 1; BEM 166 (April

2017), p. 1. As SSI-related MA programs, both AD-Care MA and G2S have an asset test and require the Department to consider a client's countable assets when determining eligibility for those categories. BEM 400 (October 2024), pp. 1, 7. MSPs are also SSI-related MA categories and subject to financial eligibility factors, including limits on countable assets. BEM 165, pp. 8 – 9.

For purposes of SSI-related MA, countable assets include cash and funds in bank accounts, and the value of those assets cannot exceed the applicable asset limit, which is \$2,000 for single individuals, such as Petitioner. BEM 400, p. 9. For MSP, countable assets cannot exceed \$9,430 for an asset group of one. BEM 165, p. 8; BEM 400, pp. 3, 8.

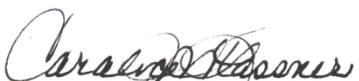
In this case, the Department and Petitioner agreed that Petitioner was a listed account holder for multiple bank accounts including a savings account at DFCU, ending in [REDACTED], with a balance of \$ [REDACTED]. Although Petitioner testified that the bank listed her as an account owner in error and that she was subsequently removed as an owner of the account, for purposes of SSI-related MA, assets include savings accounts owned by Petitioner on the day her application was processed, and it was unclear when or how Petitioner's ownership interest ceased. BEM 400, pp. 2, 7. Additionally, there was no evidence that Petitioner did not have full authority to access the funds on deposit on the day her application was processed, or that the balance in DFCU account ending 0798 was less than \$2,000 at any time during the month being tested. BEM 400, pp. 6 – 7, 11 – 12. Therefore, the Department properly determined Petitioner had excess assets for MA and MSP.

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 determined Petitioner had excess assets and was ineligible for MA and MSP.

**DECISION AND ORDER**

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

CML/mp

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

**Interested Parties**  
EQAD Hearings  
M. Schaefer  
MOAHR  
BSC4

**Via-First Class Mail :**

**Petitioner**

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