



Date Mailed: May 13, 2025

Docket No.: 25-011070

Case No.: [REDACTED]

Petitioner: [REDACTED]

[REDACTED]
MI [REDACTED]

This is an important legal document. Please have someone translate the document.

هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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 telephone on April 28, 2025. Petitioner was represented by his Authorized Hearing Representative (AHR) and wife, [REDACTED] (Spouse). The Department of Health and Human Services (Department) was represented by Kristen Crain, Assistance Payments Worker, Long Term Care.

ISSUE

Did the Department properly deny Petitioner Medicaid (MA) coverage effective January 1, 2025, 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 is married to Spouse, has Medicare, and both Petitioner and Spouse receive Retirement, Survivors, and Disability Insurance (RSDI) income. (Exhibit A, pp. 23, 25).

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2. On July 9, 2024, Petitioner was admitted to a long-term care (LTC) nursing facility. (Exhibit A, p. 23).
 3. On October 21, 2024, the Department received a completed redetermination application for SSI-related MA from Petitioner. The redetermination application reported that Petitioner remained in LTC. Petitioner and Spouse were both 73 years old at the time of the redetermination application. (Exhibit A, pp. 23 – 26).
 4. On December 13, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that closed Petitioner's SSI-related MA case effective January 1, 2025, for failure to return the redetermination application. (Exhibit A, pp. 31 – 32).
 5. On [REDACTED] 2025, the Department received a new application for SSI-related MA from Petitioner. The application reported that Petitioner remained in LTC. (Exhibit A, pp. 27 – 30).
 6. On January 16, 2025, the Department sent Petitioner a Verification Checklist (VCL) and a Quick Note that requested Petitioner provide various asset records to the Department by January 27, 2025. (Exhibit A, pp. 35 – 39).
 7. On January 30, 2025, the Department sent Petitioner a second VCL that requested Petitioner provide proof of medical expenses to the Department by February 10, 2025. (Exhibit A, pp. 8 – 9).
 8. Petitioner provided verifications to the Department. (Exhibit A, pp. 40 – 45).
 9. On February 11, 2025, the Department completed an Initial Asset Assessment (IAA) based on Petitioner's admission to LTC on July 9, 2024. (Exhibit A, pp. 11 – 13).
 10. On February 11, 2025, the Department sent Petitioner a HCCDN that denied Petitioner MA coverage effective January 1, 2025, due to excess assets. (Exhibit A, pp. 46 – 49).
 11. On February 27, 2025, the Department sent Petitioner a Tentative Patient-Pay Amount Notice (PPA Notice). (Exhibit A, pp. 18 – 19).
 12. On March 17, 2025, the Department received a request for hearing from Petitioner disputing the closure of his MA case. Petitioner also requested reimbursement for the paid expense for LTC for the months of January, February, and March 2025. (Exhibit A, pp. 3 – 6).

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

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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 closure of his MA case effective January 1, 2025. The Department closed Petitioner's MA case effective January 1, 2025 due to excess assets. Petitioner also requested reimbursement for the expenses he and Spouse paid for his LTC for the months of January, February, and March 2025.

As a preliminary matter, regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in Mich Admin Code, R 792.10101 to R 792.10137 and R 792.11001 to R 792.11020. Rule 792.11002(1) provides as follows:

An opportunity for a hearing shall be granted to an applicant who requests a hearing because his or her claim for assistance is denied or is not acted upon with reasonable promptness, has received notice of a suspension or reduction in benefits, or exclusion from a service program, or has experienced a failure of the agency to take into account the recipient's choice of service.

Neither the Mich Admin Code nor Department policy grant the undersigned Administrative Law Judge express or implied authority or jurisdiction to address or order reimbursement for expenses incurred by Petitioner.

Accordingly, this decision will address only whether the Department properly denied Petitioner MA coverage effective January 1, 2025, due to excess assets.

SSI-related MA programs have an asset test and require the Department to consider a client's countable assets when determining eligibility for those categories. BEM 400 (June 2024), pp. 1, 7. However, when, at the time a married client entered LTC, they were already receiving SSI-related MA and the client's asset group for their SSI-related MA included their spouse, who became a community spouse when the client entered LTC, the special exception policy applies and the client is considered asset eligible for MA. BEM 402 (October 2024), pp. 2, 4. Because the client is considered asset eligible for MA, the Department is to begin the client's presumed asset eligibility period, and not compute a community spouse resource allowance or send an IAA. BEM 402, p. 2.

When the special exception policy applies, the client is automatically asset eligible for 12 calendar months regardless of changes in their community spouse's assets or the number of MA applications or eligibility determinations occur during that period, unless the 12 month period ends sooner based on specific events identified in BEM 402. BEM 402, pp. 4 – 5. When the 12 month presumed asset eligibility period ends, the Department is to follow the asset policies set forth in BEM 400 to assess the client's assets, not including the spouse's assets, to determine continued MA eligibility. BEM 402, pp. 5 – 6.

Here, there was no dispute that Petitioner entered LTC on July 9, 2024 and, because he was over █████ throughout 2024 and due for a redetermination of MA for January 1, 2025, there was no evidence that he was not an ongoing recipient of SSI-related MA at the time he entered LTC. There was also no evidence that Spouse was, or expected to be, in a hospital and/or LTC facility for 30 or more consecutive days or that she was approved for waiver, PACE, or Freedom to Work MA, at any time relevant to this matter. BEM 402, p. 2.

Therefore, the Department failed to establish that Petitioner was not asset eligible pursuant to the special exception policy of BEM 402 and was not within his presumed asset eligible period as of January 1, 2025. Additionally, if Petitioner's presumed asset eligibility period had ended, the Department failed to establish that it acted in accordance with Department policy when it completed an IAA and determined Petitioner was ineligible for MA effective January 1, 2025, due to excess assets that included Spouse's assets when it determined Petitioner's MA eligibility.

DECISION AND ORDER

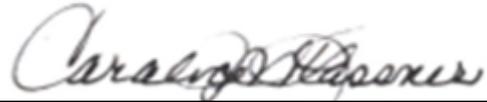
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Petitioner's MA case effective January 1, 2025, due to excess assets.

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. Redetermine Petitioner's eligibility for MA effective January 1, 2025 ongoing;
2. If eligible, provide Petitioner with the most beneficial MA coverage he is eligible to receive from January 1, 2025 ongoing; and

3. Notify Petitioner of its decision in writing.



CARALYCE M. LASSNER
ADMINISTRATIVE LAW JUDGE

APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://lrs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

Via Electronic Mail:

Respondent

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Via First Class Mail:

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Interested Parties

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BSC4

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