Michigan Office of Administrative Hearings and Rules
P.O. Box 30639
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Date Mailed: August 14, 2025
Docket No.: 25-022101
Case No.: [redacted]
Petitioner: [redacted]

[redacted]
[redacted]
[redacted], MI [redacted]

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

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Case No.: [redacted]
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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; and Mich Admin Code, R 792.11002. After due notice, a hearing was held via telephone conference on July 21, 2025. Petitioner appeared for the hearing and represented himself. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Remy Williams, Eligibility Specialist.

ISSUE

Did the Department properly determine Petitioner's eligibility for 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. Petitioner was previously an ongoing recipient of MA benefits under the Healthy Michigan Plan (HMP).

2. Petitioner's MA benefits under the HMP were terminated effective June 1, 2024, as the Department became aware that Petitioner was eligible for and enrolled in Medicare.

3. Petitioner's MA benefits were transferred to the Group 2 Aged, Blind, Disabled (G2S) category effective June 1, 2024. Petitioner was also approved for the Medicare Savings Program (MSP) under the Additional Low-Income Medicare Beneficiaries (ALMB) category.

4. The Department completed an asset detection report which showed that Petitioner had bank accounts that were required to be verified. (Exhibit A, pp. 6-10)

5. On or around February 13, 2025, the Department sent Petitioner a Verification Checklist (VCL) instructing him to submit proof of his checking account, savings account, and certificate of deposit (CD) account by February 24, 2025. (Exhibit A, pp.11-12)

6. The Department asserted that Petitioner failed to submit proof of his assets by the February 24, 2025, due date identified on the VCL.

7. There was no evidence that Petitioner requested an extension of time to submit the verifications or requested assistance with obtaining the verifications.

8. On or around April 2, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice, advising him that effective May 1, 2025, he was ineligible for MSP benefits because he failed to return bank account asset information. (Exhibit A, pp. 13-15)

    a. Although not reflected on the Health Care Coverage Determination Notice, the Department also closed Petitioner's MA benefits under the G2S due to a failure to verify requested asset information.

9. The Department determined that Petitioner was eligible for MA under the Plan First category only, as there was no asset test. The Department determined that Petitioner was ineligible for other MA categories because he failed to verify requested asset information.

10. On or around May 27, 2025, Petitioner requested a hearing disputing the Department's actions.

11. On or around [redacted] 2025, Petitioner submitted a new application requesting MA and MSP benefits.

12. On or around May 28, 2025, the Department sent Petitioner a Verification Checklist (VCL) instructing him to submit proof of his checking account, savings account, and certificate of deposit (CD) account by June 9, 2025. (Exhibit A, pp.16-17)

13. Petitioner timely submitted verification of his assets as requested. (Exhibit A, pp. 18-26)

14. On or around June 2, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice advising him that he was ineligible for MSP benefits because the value of his countable assets is higher than allowed. (Exhibit A, pp. 29-31)

15. On or around June 6, 2025, the Department sent Petitioner a Benefit Notice advising him that effective May 1, 2025, he was ineligible for MA benefits under the G2S category because the value of his countable assets is higher than allowed. The Benefit Notice advised Petitioner that he was approved for MA under the Plan First category effective May 1, 2025. (Exhibit A, pp. 32-35)

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 Department's determination that he was ineligible for MA and MSP benefits.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (May 2024), p. 1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department can obtain the verification despite a reasonable effort, the Department is to use the best available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, pp. 3-4. For MA cases, clients are given 10 calendar days (or other time limit specified in policy) to provide the verifications requested by the Department. BAM 130, pp. 7-9. If the client cannot provide the verification despite a reasonable effort, the Department is to extend the time limit to submit the verifications up to two times. BAM 130, pp. 7-9. Verifications are considered to be timely if received by the date they are due. BAM 130, pp. 7-9. The Department will send a negative action notice when the client indicates refusal to provide a verification, or the time period given has lapsed. BAM 130, pp. 8-9.

At the hearing, the Department representative testified that an asset detection report was completed and as a result, the Department issued the VCL on February 13, 2025, instructing Petitioner to submit proof of his assets by February 24, 2025. The Department representative testified that because Petitioner failed to submit any verification of his bank accounts by the February 24, 2025, due date, and because asset eligibility is required for certain types of MA programs, the Petitioner was only approved for limited coverage Plan First, as that MA category did not have an asset test. There was no evidence that Petitioner requested an extension or additional time to submit the requested verification or that Petitioner requested assistance from the

Department in obtaining the verifications that were requested. Petitioner testified that he did not receive the VCL dated February 24, 2025, but confirmed that he received the April 2, 2025, Health Care Coverage Determination Notice advising of the ineligibility determination. Petitioner also confirmed that he did not submit the requested bank account asset information prior to May 1, 2025.

Upon review, notwithstanding Petitioner's testimony during the hearing, in accordance with Department policy, Petitioner was required to timely submit verification of his bank accounts in order for the Department to review his household's asset eligibility for MA. Petitioner failed to establish that he timely submitted verification of his assets to the Department. Therefore, the Department properly determined he was ineligible for MA under the G2S and MSP benefits effective May 1, 2025.

It was established that Petitioner reapplied for MA/MSP benefits on or around May 27, 2025, and timely submitted verification of his assets as instructed in the May 28, 2025, VCL. The Department asserted that after processing the asset verifications received, it determined that Petitioner was ineligible for MA under the G2S and MSP benefits due to excess assets.

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. MSP are SSI-related MA categories. 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 and MSP benefits. 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. At the time of Petitioner's May 2025 application, the asset limit for the SSI related MA programs and MSP with an asset group size of one was $9,660. BEM 400, pp. 7-8; BEM 211, pp. 1-9.

The Department properly concluded that because Petitioner was enrolled in Medicare, he was potentially eligible for MA under an SSI-related category which requires that the value of his assets be below the limit identified above. BEM 105. The Department contended that Petitioner was ineligible for MA and MSP benefits in connection with the May 27, 2025, application because the value of his countable assets exceeded the limits for eligibility. The Department presented an MA Asset Budget for review showing the exact breakdown of assets considered and testified that it relied on the asset verifications submitted. (Exhibit A, pp. 17-28). Based on the bank account asset

verifications submitted, Petitioner is the owner of a CD account with [redacted] Bank that has a balance of $20,000. Petitioner is also the owner of other checking and savings accounts, the statements of which were presented for review. Petitioner confirmed the accuracy of the bank statements and further confirmed that the value in the accounts was not below the $9,660 asset limit identified above. Therefore, upon review, the Department properly determined that Petitioner was ineligible for MA under the G2S or the MSP because the value of his assets was higher than allowed. The Department properly determined that Petitioner is eligible for MA under the PF category that does not have an asset test.

While Petitioner did not dispute that the value of his assets was greater than the asset limit, Petitioner argued that his MA benefits under the HMP should not have been terminated effective June 1, 2024, as he was improperly enrolled in Medicare. Petitioner asserted that he does not qualify for Medicare and should not have been enrolled in the program. There was no evidence that Petitioner requested a hearing to dispute the transfer of his MA benefits from the HMP to an SSI-related category back in June 2024, however. Petitioner requested that he be removed from the Medicare program and his MA coverage reactivated under the HMP. (Exhibit 1). Petitioner was advised that the Department does not administer the Medicare program and the undersigned does not have the authority to grant such request. See BAM 600.

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 acted in accordance with Department policy when it determined Petitioner's MA eligibility.

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

Zainab Baydoun

ZAINAB A BAYDOUN
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.

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