



Date Mailed: December 12, 2025
Docket No.: 25-033514
Case No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED]
FL [REDACTED]

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

Este es un documento legal importante. Por favor, que alguien traduzca el documento.

这是一份重要的法律文件。请让别人翻译文件。

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

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Docket No.: 25-033514

Case No.: [REDACTED]

Petitioner: [REDACTED]

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 October 30, 2025. Petitioner was represented by [REDACTED], Authorized Hearing Representative (AHR), Medicaid Done Right. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Nicholas Hervert, Eligibility Specialist (ES).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-85.

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. On [REDACTED] 2025, an application for MA was filed on Petitioner's behalf requesting retroactive coverage to April 2025. (Exhibit A, pp. 26-38)
2. While the application was being processed, it was reported that money was stolen from Petitioner and police reports were filed. A report was filed with the [REDACTED] office in Michigan, but the case was closed because the alleged theft had occurred in Ohio. The police report filed in [REDACTED] Ohio listed a total amount of \$[REDACTED] that was taken from Petitioner by his caretaker at that time. (Exhibit A, pp. 2 and 45-49)
3. The local Department office sought a clarification from policy and were informed that this was considered divestment. It was noted that Petitioner's niece would need to continue to pursue return of the money in order to request a divestment penalty hardship. (Exhibit A, pp. 50-53 and 62)

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4. MA was approved for Petitioner with a divestment of \$ [REDACTED] and a divestment penalty period of April 1, 2025 to April 24, 2025. (Exhibit A, p. 57).
 5. On August 29, 2025, a Health Care Coverage Determination Notice was issued to Petitioner advising Petitioner of the MA approval with the divestment penalty. (Exhibit A, pp. 58-61)
 6. On September 9, 2025, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 6-7)

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.

Divestment means the transfer of a resource by a client or his spouse that are all the following: within a specified time; a transfer for less than fair market value; and not listed under transfers that are not divestment. BEM 405, February 1, 2025, p. 1.

The Department treats transfers by anyone acting in place of, on behalf of, at the request of or at the direction of the client or the client's spouse as transfers by the client or spouse. BEM 405, p. 3.

In this case, while Petitioner's MA application was being processed, it was reported that money was stolen from Petitioner and police reports were filed. The police reports alleged that money was stolen from Petitioner by a former caregiver. Petitioner was living with a woman in Ohio, who was his caregiver. After Petitioner's niece was appointed as his Guardian, she reviewed his financial records and alleged the caregiver was taking money from Petitioner. The [REDACTED] Ohio police report specifically identifies five cash withdrawals at [REDACTED]. It was alleged that Petitioner was not coherent and unable to make financial decisions. Additionally, the caregiver had Petitioner's wallet and refused to give it back. The caregiver blocked Petitioner's niece the last time she asked for it back and Petitioner's niece had no further communication with the caregiver. (Exhibit A, pp. 45-49).

The local Department office sought a clarification from policy and were informed that this was considered divestment. It was noted that Petitioner's niece would need to continue to pursue return of the money in order to request a divestment penalty hardship. (Exhibit A, pp. 50-53 and 62).

Based on the policy clarification, the Department properly determined that divestment occurred. It appears that Petitioner was living with a woman who was his caregiver. It was not clear how long Petitioner lived with this woman. The report filed with the [REDACTED] office indicates Petitioner's mental decline began three years ago. Accordingly, based on the limited information available, the caregiver may have been acting in place of, on behalf of, at the request of or at the direction of Petitioner to handle his financial affairs for some time. This does not necessarily mean that the transactions at issue were made at Petitioner's direction. An investigation will need to be completed by the police regarding the alleged theft.

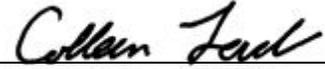
Further, the limited information available noted that caregiver had Petitioner's wallet and refused to give it back; the caregiver blocked Petitioner's niece the last time she asked for it back; and Petitioner's niece had no further communication with the caregiver. (Exhibit A, p. 49). There was no evidence that there had been a request for the return of the alleged stolen funds. Additionally, it is not known if the contact and subsequent block were by text/telephone, social media, or some other method of communication. It also does not appear that any written communication was sent to the caregiver by regular mail.

As indicated in the policy clarification emails, Petitioner's niece should document steps she has taken, and continues to take, to recoup the funds that were allegedly stolen. Any update from the policy investigation in Toledo, Ohio regarding the alleged theft should also be documented. The policy emails indicate the Department could potentially end or modify the penalty depending on the results of the investigation and/or recoupment attempts.

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 request for MA based on the available information.

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



COLLEEN LACK
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.

25-033514



Via Electronic Mail:

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Via First Class Mail:

Authorized Hearing Rep

[REDACTED]
[REDACTED] FL [REDACTED]

Petitioner

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