



Date Mailed: November 18, 2025
Docket No.: 25-037209
Case No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED]
MI [REDACTED]

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

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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.

Date Mailed: November 18, 2025

Docket No.: 25-037209

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; 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 November 12, 2025. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Jenee Murray, Hearing Facilitator.

ISSUE

Did the Department properly close Petitioner's Medicare Savings Program (MSP) case effective September 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 [REDACTED] years old, single, and receives Retirement, Survivors, and Disability Insurance (RSDI) income. (Exhibit A, pp. 9 – 16, Exhibit B, pp. 1 – 8).
1. On [REDACTED] 2025, the Department received a completed application for Food Assistance Program (FAP) benefits, Medicaid (MA), and Medicare Savings Program (MSP) coverage from Petitioner. Petitioner reported that she had checking and savings accounts with [REDACTED] (FSF). (Exhibit B, pp. 1 – 8).
2. On April 29, 2025, the Department approved Petitioner for MSP effective June 1, 2025.
3. On May 13, 2025, the Department interviewed Petitioner. Petitioner reported that she received RSDI income of \$ [REDACTED] per month and had the following assets:
 - a. Two vehicles,
 - b. A checking account with FSF with a balance of \$ [REDACTED],
 - c. A savings account with FSF with a balance of \$ [REDACTED],

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- d. A checking account with [REDACTED] (HB) with a balance of \$ [REDACTED],
 - e. A checking account with [REDACTED] (CB) with a balance of \$ [REDACTED],
 - f. A savings account with CB with a balance of \$ [REDACTED],
 - g. A stock and bond account with [REDACTED] (RH) with a balance of \$ [REDACTED],
 - h. An annuity account with a balance of \$ [REDACTED], and
 - i. A 401(k) account with a balance of \$ [REDACTED].

(Exhibit A, pp. 9 – 16).

4. On July 29, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that closed Petitioner's MSP case effective September 1, 2025, due to excess assets. (Exhibit A, pp. 17 – 19).
5. On September 6, 2025, the Department sent Petitioner a Notice of Case Action (NOCA) that decreased her FAP benefit amount to \$64 per month effective October 1, 2025. (Exhibit A, pp. 24 – 25).
6. On October 10, 2025, the Department received a request for hearing from Petitioner disputing the amount of her monthly FAP benefit and closure of her MSP case. (Exhibit A, pp. 5 – 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.

Petitioner requested a hearing to dispute the amount of her FAP benefits and the closure of her MSP case effective September 1, 2025. The Department closed Petitioner's MSP case effective September 1, 2025, due to excess assets. As a preliminary matter, at the beginning of the hearing, Petitioner testified that her dispute regarding her FAP benefit amount was resolved and withdrew that portion of her

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request for hearing. The Department had no objection. Accordingly, Petitioner's request for hearing as to FAP is dismissed and the hearing proceeded to address Petitioner's dispute as to MSP only.

Medicare Savings Programs (MSP) are SSI-related MA categories; and as such, are subject to an asset test, which requires the Department to consider a client's countable assets when determining eligibility for SSI-related MA. BAM 105 (June 2025), pp. 17 – 18; BEM 165 (July 2024), p. 1; BEM 400 (March 2025), pp. 1, 6 – 7. For MSP, the value of countable assets cannot exceed \$9,660 for an asset group of one, such as Petitioner. BEM 165, p. 8; BEM 211 (October 2023), p. 8; BEM 400, pp. 3, 8. Asset eligibility exists 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.

For purposes of SSI-related MA, countable assets generally include cash; bank accounts, minus current income; stocks, bonds, and mutual funds; and 401(k) plans. BEM 400, pp. 16, 24, 26 – 29. To determine if an annuity is a countable asset for purposes of SSI-related MA, the Department must submit the annuity and a Request for Trust/Annuity Evaluation to its Trust and Annuities Unit for evaluation. BEM 400, p. 29; BEM 401 (January 2022), pp. 2 – 4).

Unless the client's self-attested value of the asset exceeds the asset limit, the Department must verify the value of the client's assets at application, redetermination, and when a change is reported. BEM 400, p. 62. To obtain verifications, 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 (May 2024), p. 3. For MA, including MSP, the Department must allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested, and if the client cannot provide the verification despite a reasonable effort, the time limit may be extended up to two times upon request of the client. BAM 130, p. 8. If the client refuses to provide a verification, or the time period given has elapsed, the Department sends the client a HCCDN to notify the client that coverage has been denied or terminated. BAM 130, pp. 8 – 9. However, before it determines eligibility, the Department must give the client a reasonable opportunity to resolve any discrepancy between her statements and information from another source. BAM 130, p. 9.

In this case, the Department testified that it determined Petitioner had countable assets of \$[REDACTED]. (Exhibit A, p. 23). The Department explained that it included the following assets and values in its calculation:

- a. The FSF checking account balance of \$[REDACTED], minus Petitioner's monthly RSDI income of \$[REDACTED],
- b. The FSF savings account balance of \$[REDACTED],
- c. The HB checking account balance of \$[REDACTED],

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- d. The CB checking account balance of \$ [REDACTED],
- e. The CB savings account balance of \$ [REDACTED],
- f. The 401(k) account balance of \$ [REDACTED], and
- g. The RH account with a value of \$ [REDACTED].

The Department testified that it did not include Petitioner's annuity account in its calculation of her countable assets.

A review of the evidence established that the Department's determination that Petitioner had countable assets of \$ [REDACTED] was consistent with its testimony. However, during her interview with the Department, Petitioner reported that the RH account had a \$0 balance. Additionally, during the hearing, Petitioner testified that the \$ [REDACTED] balance in the CB savings account was the same \$ [REDACTED] the Department attributed to the RH account. Although the Department did not clearly explain why it a) counted the RH account with a value of \$ [REDACTED] when Petitioner reported it had a value of \$ [REDACTED], and b) did not include Petitioner's annuity as a countable asset, if Petitioner's RH account and annuity had no countable value for purposes of SSI-related MA, Petitioner's countable assets did not exceed \$ [REDACTED].

Additionally, although the Department testified that it attempted to request verification of Petitioner's current assets from her, it also testified that it did not send her a VCL either before or after it determined she was ineligible for MSP due to excess assets.

Because the Department did not consider Petitioner's annuity a countable asset, and Petitioner's self-attested value of her remaining assets was less than \$ [REDACTED], the Department was required to send a VCL to request verification of Petitioner's assets. Therefore, the Department failed to act in accordance with Department policy when it closed Petitioner's MSP case without sending her a VCL that requested verification of her assets; and failed to establish that Petitioner had countable assets in excess of the applicable asset limit.

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 MSP case due to excess assets.

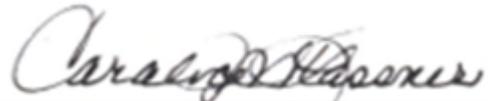
Accordingly, Petitioner's request for hearing as to FAP is **DISMISSED**, and the Department's decision as to MSP is **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS

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HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Redetermine Petitioner's eligibility for MSP assistance effective September 1, 2025;
1. If eligible, provide Petitioner with the most beneficial MSP assistance she is eligible to receive effective September 1, 2025; and
2. 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://rs.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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Via Electronic Mail:

Respondent

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Via First Class Mail:

Petitioner

[REDACTED]
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