



Date Mailed: December 11, 2025
Docket No.: 25-037731
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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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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Docket No.: 25-037731

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 19, 2025. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Julie Berg, Assistance Payments Supervisor.

ISSUE

Did the Department properly deny Petitioner Medicare Savings Program (MSP) assistance 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 Supplemental Security Income (SSI).
1. On [REDACTED] 2025, the Department received a completed application for Medicaid (MA) coverage, including MSP, from Petitioner. Petitioner reported that he had a checking account and no other assets. (Exhibit A, pp. 6 – 18).
2. On September 11, 2025, the Department sent Petitioner a Verification Checklist (VCL) for MA, MSP, and Food Assistance Program (FAP) benefits. The VCL requested that Petitioner provide additional information about assets by September 22, 2025. No specific assets were identified on the VCL. (Exhibit A, pp. 19 – 20).
3. On September 18, 2025, the Department received:
 - a. A bank statement from [REDACTED] (Bank) in the name of [REDACTED] [sic], for July 1 to July 31, 2025, [REDACTED] ending [REDACTED], with an ending balance of \$ [REDACTED], and [REDACTED]

b. A bank statement from Bank in Petitioner's name, for June 24, 2025 to July 23, 2025, for [REDACTED]:

- 1) Checking account ending [REDACTED], with an ending balance of \$ [REDACTED], and
- 2) Savings account ending [REDACTED], with an ending balance of \$ [REDACTED].

The account ending [REDACTED] reflected a deposit on July 1, 2025, from the Social Security Administration (SSA) in the amount of \$ [REDACTED]. (Exhibit A, pp. 23 – 28).

4. On September 19, 2025, the Department sent Petitioner a second VCL for MA and MSP. The VCL requested that Petitioner provide verification of a checking account, certificate of deposit, and savings account by September 29, 2025. No specific accounts were identified on the VCL. (Exhibit A, pp. 21 – 22).
5. On September 29, 2025, the Department received another copy of Petitioner's bank statement provided on September 18, 2025, for accounts ending [REDACTED] and [REDACTED]. (Exhibit A, pp. 29 – 32).
6. On October 3, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that denied Petitioner's application for MSP coverage due to excess assets, failure to provide requested verifications, and excess income. (Exhibit A, pp. 33 – 36).
7. On October 13, 2025, the Department received a request for hearing from Petitioner disputing the denial of his application for MSP. (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.

In this case, the HCCDN informed Petitioner that the Department denied him MSP coverage due to excess assets, failure to provide requested verifications, and excess

income. However during the hearing, the Department clarified that Petitioner was denied MSP coverage due to excess assets.

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. For purposes of SSI-related MA, countable assets generally include cash; bank accounts, minus current income; and certificates of deposits, among other things. BEM 400, pp. 16, 24. 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.

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 is to send the client a VCL which tells the client what verification is required, how to obtain it, and the due date. BAM 130 (May 2024), p. 3. 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 his statements and information from another source. BAM 130, p. 9.

In support of its denial of Petitioner's application, the Department testified that although Petitioner reported that his only asset was a checking account, based on its historic records for Petitioner from 2024 and 2025, he had five checking accounts, a savings account, and a certificate of deposit. However, the evidence established that when it sent the September 11, 2025 VCL, the Department did not specify what verification was requested from Petitioner or how to obtain it. Additionally, although Petitioner had provided checking and savings account statements on September 18, 2025, the Department sent a second VCL to Petitioner on September 19, 2025, and requested verification of his checking and savings accounts and a certificate of deposit, but did not clearly identify what accounts or certificate of deposit Petitioner was required to verify.

The Department testified that because Petitioner did not return verifications regarding the certificate of deposit or other bank accounts, it considered the following assets and values when it determined Petitioner had excess assets for MSP:

- a. Account with Bank ending in [REDACTED] in the amount of \$ [REDACTED],
- b. Account with Bank ending in [REDACTED] in the amount of \$ [REDACTED],
- c. Account with Bank ending in [REDACTED] in the amount of \$ [REDACTED],

-
- d. Certificate of Deposit with Bank ending in [REDACTED] in the amount of \$ [REDACTED], and
 - e. Account with [REDACTED] (BOA) in the amount of \$ [REDACTED].
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However, the Department acknowledged that it counted the account ending in [REDACTED] twice, and the evidence established that the Department did not count the balance in the account consistent with the bank statement provided or in accordance with policy. BEM 400, p. 24. Additionally, Petitioner credibly testified that he no longer had the certificate of deposit or BOA account when he applied for MSP.

Thus, because there was a discrepancy between what Petitioner reported on his application and the Department's historic records, the Department was obligated to give Petitioner a reasonable opportunity to resolve the discrepancy before it determined his eligibility for MSP. However, there was no evidence that the Department asked Petitioner about the status of the specific assets it believed he currently held. Without such an inquiry, the Petitioner was not reasonably afforded the opportunity to clarify or provide additional information regarding assets he no longer held at the time of his application.

Therefore, based on the totality of the evidence and testimony, the Department failed to establish that it properly denied Petitioner MSP coverage due to excess assets.

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 denied Petitioner's application for MSP coverage 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 MSP assistance effective August 1, 2025, requesting specific verifications if necessary;
1. If eligible, provide Petitioner with the most beneficial MSP assistance he is eligible to receive effective August 1, 2025; and
2. Notify Petitioner of its decision in writing.

Caralyce Lassner

**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: **Petitioner**
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