

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Claimant

Reg No: 2009-28794

Issue No: 2001,3002

Case No:

Load No:

Hearing Date:

August 19, 2009

Wayne County DHS (18)

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

HEARING DECISION

This matter is before the undersigned Administrative Law Judge upon pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice a telephone hearing was held on August 19, 2009 claimant was present and testified, [REDACTED] FIM appeared for the department and testified.

ISSUE

Is the department correct in closing claimant's Adult Medical Program (AMP) case due to excess income and reducing her (FAP) benefit as of April 1, 2009?

FINDINGS OF FACT

- (1) Claimant was an Adult Medical Program and FAP recipient.
- (2) Claimant received \$851 in earned income in March 2009.
- (3) The department determined that claimant had excess income under the Adult Medical Program and placed claimant's case into negative action on April 1, 2009.
- (4) The department closed claimant's AMP on April 1, 2009 due to excess income.
- (5) The department reduced claimants FAP benefits on April 1, 2009 to \$36 per month.

- (6) Claimant requested a hearing on July 1, 2009 contesting the closure of AMP and reduction in FAP.
- (7) Claimant conceded at the hearing that the reduction in her FAP benefit for May 2009 was correct.

CONCLUSIONS OF LAW

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (formerly known as the Family Independence Agency) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The Adult Medical Program (AMP) is available to individuals who meet all the eligibility factors in this item. The Department of Community Health (DCH) will refer to this program as the Adult Benefit Waiver I. Certain aliens are limited to coverage of emergency services. PEM 640. Income eligibility exists when the program group's **net** income does not exceed the program group's AMP income limit. The AMP income limits are in RFT 236. The department deducts \$200 from a program group member's gross earnings and then deducts 20% of the person's remaining gross earnings. In the present case, claimant had gross earned income of \$851. After the deduction of \$200 and then 20%, claimant has \$520 in net income. This exceeds the \$316 allowed. RFT 236

The Food Assistance Program, formerly known as the Food Stamp ("FS") program, is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations ("CFR"). The Department of Human Services ("DHS"), formally known as the Family Independence Agency, administers the

FAP program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in the Program Administrative Manual (“PAM”), the Program Eligibility Manual (“PEM”), and the Program Reference Manual (“PRM”).

The federal regulations define household income to include all earned income. 7 CFR 273.9(b). All monthly income must be converted to a nonfluctuating monthly amount. Only 80% of earned income is counted in determining FAP benefits. PEM 550. Under 7 CFR 273.9, as amended, \$135.00 is deducted from the gross income of FAP recipients in determining FAP grants.

In the present case, claimant had \$851 earned income. 80% of 851 is 680, the standard deduction of \$135 was taken resulting in adjusted gross income of 545. Claimant has shelter expense of \$250. Claimant has net income of \$545. (Department Exhibit 1, pg. 5) The Food Assistant Issuance Table shows \$36 in benefit for \$545 net income. RFT 260 This is the amount determined by the department.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the department was correct in determining that claimant had excess income under the Adult Medical Program and that the determination of FAP benefits was also correct, and it is ORDERED that the department’s decision in this regard be and is hereby AFFIRMED.

/s/ _____
Aaron McClintic
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 08/28/09

Date Mailed: 08/31/09

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

AM/jlg

cc:

