

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: 2010-30652
Issue No: 3002; 2026
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
May 6, 2010
Saginaw County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on March 31, 2010. After due notice, a telephone hearing was held on Thursday, May 6, 2010.

ISSUES

- (1) Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) eligibility?
- (2) Whether the Department properly determined the Claimant's Medical Assistance (MA) eligibility?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

- (1) The Claimant receives FAP benefits as part of a group of one.
- (2) The Claimant received Medical Assistance and was enrolled in AD-Care.
- (3) The Claimant receives monthly Retirement, Survivor's and Disability Insurance (RSDI) in the gross monthly amount of [REDACTED]. Department Exhibit 3.
- (4) The Claimant receives monthly Social Security benefits in the gross monthly amount of [REDACTED]. Department Exhibit 11.
- (5) The Claimant has monthly housing expenses of [REDACTED]. Department Exhibits 4, 8, 20, and 22.
- (6) On March 11, 2010, the Department notified the Claimant that a FAP budget had been completed, and that her monthly FAP allotment would be reduced to [REDACTED]. Department Exhibit 1.
- (7) The Department received the Claimant's request for a hearing on March 31, 2010, protesting the reduction in her FAP benefits, and reduction of her Medical Assistance benefits.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (formerly known as the Food Stamp 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 or Department), administers the FAP program pursuant to MCL 400.10, et seq., and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or Department) administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

For FAP purposes, all earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505.

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. BEM 505.

The Claimant receives unearned income in the gross monthly amount of [REDACTED], which consists of [REDACTED] in RSDI benefits, and [REDACTED] in Social Security benefits. Subtracting the standard deduction of [REDACTED] leaves the Claimant with an adjusted gross income of [REDACTED]. The Claimant's excess shelter deduction of [REDACTED] is determined by taking her mortgage payment of [REDACTED], adding the [REDACTED] heating and utility standard deduction under Low Income Home Energy Assistance Program, and subtracting 50% of the adjusted gross income.

The Claimant's net income of [REDACTED] is determined by subtracting the excess shelter deduction from the adjusted gross income. A claimant with a group size of one and a net income of [REDACTED] is entitled to a FAP allotment of [REDACTED] which is the amount of FAP benefits granted to the Claimant for this period after [REDACTED] recoupment. RFT 260. I find that the Department has established that it acted in accordance with policy determining Claimant's FAP allotment.

The Claimant requested a hearing for Medical Assistance and Food Stamps. While the Department did address the reduction of the Claimant's FAP allotment, the Department failed to offer evidence or testimony explaining the Claimant's Medical Assistance. The Department testified that this information was only available through the Legacy computer system, which was not available for the hearing. The Department failed to establish that it acted in accordance with policy determining the Claimant's Medical Assistance eligibility.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in computing the Claimant's FAP eligibility, but failed to establish that it acted in accordance with policy in computing the Claimant's Medical Assistance eligibility.

The Department's eligibility determination is AFFIRMED in part, and REVERSED in part. It is SO ORDERED. The Department shall:

1. Determine the Claimant's eligibility for the Medical Assistance program as of February 1, 2010.
2. Notify the Claimant in writing of the Department's revised determination.
3. Issue the Claimant any supplemental benefits, if any, she may be entitled to.

/s/

Kevin Scully
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: May 17, 2010

Date Mailed: May 18, 2010

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.

KS/vc

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