

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201031308
Issue No.: 3022 4013
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: July 21, 2010
Wayne County DHS (82)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on July 21, 2010. The claimant appeared and testified; [REDACTED] also appeared and testified on Claimant's behalf. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

ISSUES

1. Whether DHS properly terminated Claimant's Food Assistance Program (FAP) benefits in 10/2009 due to Claimant's failure to submit documents concerning her redetermination of benefits.
2. Whether DHS properly denied Claimant's request for State Disability Assistance (SDA) due to excess income.

FINDINGS OF FACT

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

1. Claimant was an ongoing FAP and MA recipient.
2. Claimant's MA benefits were based on a Medical Review Team (MRT) finding that Claimant was disabled.
3. Up until the pay date of 11/18/09, Claimant received gross Unemployment Compensation (UC) income of \$254/week.
4. After 11/18/09, Claimant began receiving UC income of \$297/week.

5. Claimant pays \$450/month for a rental obligation.
6. Claimant's FAP benefits ended in 10/2009 due to an alleged failure to return FAP benefit redetermination documents.
7. DHS conceded that Claimant's FAP benefits redetermination should have been processed as Claimant submitted all necessary documents for her redetermination.
8. Claimant applied for cash benefits and reapplied for FAP on 2/19/10.
9. DHS denied Claimant's SDA on 2/19/10 due to excess income.
10. On an unspecified date, MRT found that Claimant was no longer disabled which resulted in termination of Claimant's MA benefits.
11. DHS approved Claimant for FAP benefits \$16/month in FAP benefits.
12. Claimant submitted a hearing request on approximately 12/20/09 disputing the termination of her FAP benefits and conversion of her MA benefits from ongoing Medicaid to Medicaid subject to a monthly \$621 deductible.
13. Claimant also submitted a hearing request on 3/5/2010 objecting to: the denial of cash benefits, termination of MA benefits based on the finding of not being disabled and the amount of her FAP benefits.

CONCLUSIONS OF LAW

State Disability Assistance

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, et seq., and MAC R 400.3151-400.3180. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

DHS offers two types of cash assistance SDA and Family Independence Program (FIP) benefits. FIP is a cash benefits program offered to applicants with dependent children or to expectant mothers. SDA benefits are available to disabled persons. Claimant is not eligible for FIP as she has no dependent children and is not pregnant. Thus, Claimant's only option for cash benefits is through the SDA program.

Financial need must exist to receive SDA benefits. Financial need exists when the certified group passes the Deficit Test. BEM 518 at 1. Bridges (the DHS database) compares a client's budgetable income for the income month to the certified group's payment standard for the benefit month. The group is ineligible for the benefit month if no deficit exists. *Id* at 4.

In the present case, Claimant applied for SDA on 2/19/10. At the time of Claimant's application, Claimant received \$297/week in UC income. The weekly income (\$297) is multiplied by four to convert it into a full month of income (\$1188). A single person's monthly payment assistance standard is \$269. RFT 225. Claimant's monthly income exceeds the monthly payment assistance standard. Thus, Claimant failed the SDA deficit test and is not eligible for SDA benefits. It is found that DHS properly denied Claimant's application for SDA benefits due to excess income.

Food Assistance Program

The Food Assistance Program (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 (formerly known as the Family Independence Agency) 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) and the Reference Tables Manual (RFT).

The redetermination process begins with DHS mailing a redetermination packet in the month prior to the end of the benefit period. *Id* at 4. The packet consists of forms and requests for verification that are necessary for DHS to process the redetermination. The forms needed for redetermination vary based on the program scheduled for review. Failure by a client to submit any of the needed documents during the benefits period results in denial of the redetermination and case closure. *Id.*

In the present case, DHS initially contended that Claimant failed to submit any documents necessary for a redetermination beginning with benefit month 11/2009. During the hearing, DHS conceded that Claimant submitted the documents necessary for redetermination and that Claimant's FAP benefits incorrectly closed. As both parties were in agreement, it is found that DHS improperly failed to redetermine Claimant's FAP benefits beginning 11/1/09.

Following the hearing, DHS submitted various documents, some of which were not admitted as exhibits during the hearing. One of the documents was a Hearing Summary dated 1/19/10; the summary was not presented during the hearing. The summary rehashed the original DHS argument, that Claimant failed to submit redetermination documents necessary for FAP redetermination.

The submission of the Hearing Summary following might be an attempt by DHS to revoke their concession that Claimant submitted the needed documents for FAP benefit redetermination. The undersigned is not inclined to consider the document as evidence. Allowing documents as evidence without addressing them at the hearing denies the opposing party the opportunity to examine the documents and to make proper objections concerning the admission of documents. The administrative hearing is the time to present arguments, facts and documents, not after the hearing. It is found that any documents submitted by DHS following the hearing that were not admitted as exhibit should not be considered.

Medical Assistance

Note that the issue concerning Claimant's MA benefits is left for a future hearing. Claimant's MA benefits were terminated due to a DHS finding that Claimant is not disabled. Claimant's request for hearing is preserved and will be scheduled with an Administrative Law Judge specializing in disability determinations.

DECISION AND ORDER

The actions taken by DHS are partially AFFIRMED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's application for SDA benefits.

The actions taken by DHS are partially REVERSED. The Administrative Law Judge, based upon agreement of the parties, finds that DHS improperly closed Claimant's FAP benefits effective 10/31/09. It is ordered that DHS reinstate Claimant's benefits effective 11/1/09 and supplement Claimant for any lost FAP benefits as a result of the improper closure. DHS may make necessary requests for verification from Claimant to process any supplements.

/s/



Christian Gardocki
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: August 11, 2010

Date Mailed: August 11, 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 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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.

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