

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.: 201037110
Issue No.: 3002 2026
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: July 28, 2010
Wayne County DHS (31)

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 28, 2010. The claimant appeared and testified; [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED], Manager, appeared and testified.

ISSUES

1. Whether DHS properly calculated Claimant's Food Assistance Program (FAP) benefits effective 4/28/10.
2. Whether DHS properly calculated Claimant and his spouse eligible for Medicaid subject to a monthly deductible.

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 applied for FAP benefits on 4/28/10.
2. Claimant is part of a five person household which includes himself, his spouse and three minor children.
3. All persons in Claimant's household are non-senior, non-disabled and non-disabled veteran.

4. Claimant received biweekly unemployment compensation gross income of \$774/2 weeks; \$50 of Claimant's biweekly UC income was from the American Reinvestment and Recovery Act.
5. Claimant also worked approximately 10 hours/week at \$10/hour until 6/25/10.
6. Claimant's spouse was employed making \$10.41/hour and worked an unspecified amount of hours.
7. DHS denied Claimant's 4/28/10 application for FAP benefits.
8. DHS originally determined that Claimant's children had excess income for ongoing Medicaid but later found them eligible for ongoing Medicaid.
9. DHS determined that Claimant and his spouse were eligible for Medicaid subject to a \$1523/month deductible.
10. Claimant submitted a hearing request on 5/17/10 disputing the DHS decision denying FAP benefits for 4/2010 and 5/2010 and the DHS decision finding Claimant and his spouse eligible for Medicaid to a \$1523/month deductible.
11. DHS subsequently found Claimant eligible for FAP benefits beginning 6/2010.
12. DHS subsequently reduced Claimant's deductible based on an unspecified income change.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (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 (formerly known as the Family Independence Agency) administers the FAP program pursuant to CML 400.10 *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

A non-categorically eligible (cases involving domestic violence) FAP group without a senior, disabled or disabled veteran member must have income below the gross and net income limits. BEM 550 at 1. Gross and net income limits are dependent upon the FAP group size. RFT 250.

In the present case, DHS denied Claimant's 4/28/10 application for FAP benefits for having net income that exceeded the net-income limits. DHS submitted budgets

following the hearing supporting their finding that Claimant had household income which exceeded the FAP net income limits. The undersigned cannot determine whether DHS properly denied Claimant for FAP benefits in 4/2010 and 5/2010 as Claimant and DHS failed to supply any income information supporting or refuting the denial. However, DHS conceded that Claimant's eligibility for FAP benefits in 4/2010 and 5/2010 should be reconsidered based on a DHS finding that Claimant was eligible for FAP benefits in 6/2010. The undersigned is inclined to accept the DHS concession that Claimant's eligibility for FAP benefits should be reconsidered for 4/2010 and 5/2010.

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 (formerly known as the Family Independence Agency) 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) and the Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

A recipient with excess income for ongoing Medicaid may still be eligible for Medicaid under the deductible program. Clients with a Medicaid deductible may receive Medicaid if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month.

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. BEM 105 at 2.

In the present case, Claimant seeks MA benefits for himself and his spouse. Neither Claimant are disabled but are caretakers of minor children. Under such circumstances, the most beneficial MA categories for Claimant and his spouse are for the Low Income Family (LIF) or Group 2 Caretaker (G2C) categories. Both categories require an income-eligibility determination.

Based on Claimant's monthly household income, DHS determined that Claimant and his spouse were only eligible for Medicaid subject to a monthly deductible. DHS submitted budgets following the hearing supporting their determination. DHS and Claimant failed to submit income verifications supporting or refuting the DHS decision. As with the 4/2010 determination concerning Claimant's eligibility for FAP benefits, the undersigned

is unable to verify the correctness of the DHS decision without corresponding income verifications.

DECISION AND ORDER

The actions taken by DHS are REVERSED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS failed to establish a basis for the determinations on Claimant's income eligibility for FAP and MA benefits in 4/2010 and 5/2010. It is ordered that DHS either: submit income verification supporting their determinations or, if none are available, to request verifications from Claimant in accordance with their policies and to again determine Claimant's eligibility for FAP and MA benefits in 4/2010 and 5/2010.

/s/



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

Date Signed: August 13, 2010

Date Mailed: August 13, 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.

CG / hw

cc:

