

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

IN THE MATTER OF:



Reg. No.: 201046053
Issue No.: 2000 / 3002
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: September 2, 2010
Office: Wayne County DHS

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 September 2, 2010. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, and [REDACTED], Manager, appeared and testified.

ISSUES

1. Whether Claimant is entitled to administrative decision concerning her child's MA benefits when DHS did not take any adverse action to those benefits.
2. Whether DHS properly reduced Claimant's Food Assistance Program (FAP) benefits effective 8/1/10.

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 MA and FAP recipient.
2. Claimant's FAP and MA benefit period was scheduled to end 7/31/10.
3. Claimant is part of a FAP and MA group that includes herself and her minor child.
4. Neither Claimant nor her child are senior (over 60 years of age), disabled nor disabled veterans.

5. Claimant received gross employment earnings of \$378.13 on 7/2/10 and \$684.75 on 7/16/10. Exhibit 3.
6. Claimant is responsible for a \$525/month rent obligation.
7. On 7/19/10, Claimant received a Notice of Case Action warning her that her FAP and MA benefits would end on 7/31/10 due to Claimant's failure to return her Redetermination and required verifications.
8. On 7/27/10, Claimant submitted her Redetermination (Exhibit 2) and necessary verifications to DHS.
9. On 7/27/10, Claimant requested a hearing because she believed that submitting her Redetermination on the same day entitled her to have her MA and FAP benefits continued.
10. On 7/30/10, DHS timely processed Claimant's MA and FAP benefit redetermination and approved Claimant for ongoing Medicaid for Claimant and her child and FAP benefits of \$270/month. Exhibit 4.
11. The \$270/month in FAP benefits were a reduction from Claimant's 7/2010 FAP benefit issuance.
12. Though DHS processed Claimant's redetermination for MA and FAP benefits, Claimant disputed the reduction in her FAP benefits beginning 8/2010.
13. Claimant also alleges that DHS determined that Claimant's child was not eligible for MA benefits due to some unspecified penalty.

CONCLUSIONS OF LAW

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.

Claimant contended that DHS failed to issue Medicaid for her minor child. Claimant testified that her belief was based on a penalty described in a Notice of Case Action which she received. Claimant failed to submit any evidence of the penalty. DHS verified that Claimant's child was approved for Medicaid and that Claimant was mailed a Notice of Case Action dated 7/30/10 (Exhibit 1) reflecting the approval.

BAM 600 lists the circumstances in which a hearing may be granted. The circumstances are: denial of an application and/or supplemental payments, reduction in the amount of program benefits or service, suspension or termination of program benefits or service restrictions under which benefits or services are provided or delay of any action beyond standards of promptness. BAM 600 at 3. Claimant failed to verify any of the above circumstances apply to the DHS determination approving her child for MA benefits. Claimant's hearing request is appropriately dismissed in part for failing to allege an adverse action against her child's MA benefits.

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).

Claimant contends that her FAP benefits should not have been reduced effective 8/1/10. Claimant indicated that she received more FAP benefits in 7/2010 and did not know why her FAP benefits were reduced for 8/2010. Whether Claimant received more FAP benefits in 7/2010 than 8/2010 is not relevant to whether Claimant's FAP benefits were correctly calculated for 8/2010. The accuracy of Claimant's FAP benefit determination is an appropriate issue for an administrative hearing. BEM 556 outlines the proper procedures for calculating FAP benefits.

Claimant receives biweekly employment payments. Claimant verified receiving gross employment income payments of \$378.13 on 7/2/10 and \$684.75 on 7/16/10. DHS converts biweekly income into a 30 day period by multiplying the average bi-weekly income by 2.15. BEM 505 at 6. Multiplying Claimant's average biweekly income by 2.15 results in a monthly countable income amount of \$1142, the same as calculated by DHS.

DHS gives a 20% credit for employment earnings resulting in a post-earned income deduction income. Claimant's post-earned income deduction income is found to be \$913, the same as calculated by DHS.

Claimant's two person group receives a standard deduction of \$132. RFT 255. The standard deduction is subtracted from the post-earned income deduction income to calculate the group's adjusted gross income. The adjusted gross income amount is found to be \$781, the same as calculated by DHS.

Claimant pays \$525/month in rent. Claimant was issued the maximum utility credit allowed by policy, \$555. The rent expense is added to the utility credit to calculate Claimant's total shelter expense of \$1080, the same as calculated by DHS.

DHS calculates an excess shelter expense based on Claimant's shelter expenses. As a FAP benefit group without a senior, disabled or disabled veteran member, the excess shelter is capped at \$459. DHS credited Claimant with a \$459 excess shelter credit so it is not necessary to determine whether DHS under-credited Claimant's excess shelter credit.

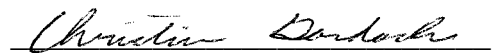
Claimant's excess shelter costs (\$459) is subtracted from Claimant's adjusted gross income (\$781) to determine Claimant's net income. In the present case, Claimant's net income is found to be \$322, the same as calculated by DHS. Per RFT 260 the correct amount of FAP benefits for a group of two persons with a monthly net income of \$322 is \$270/month, the same as calculated by DHS. It is found that DHS properly calculated Claimant's FAP benefits to be \$270/month effective 8/2010.

DECISION AND ORDER

Claimant's hearing request is partially DISMISSED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant failed to verify any adverse action taken by DHS concerning her group's eligibility for MA benefits.

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 calculated Claimant's FAP benefits to be \$270/month effective 8/2010.

/s/


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

201046053/CG

Date Signed: September 15, 2010

Date Mailed: September 15, 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

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