

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: 2010-10583

Issue No: 2026; 3002

Case No:

Load No:

Hearing Date:

January 26, 2010

Washtenaw County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on January 26, 2010. Claimant appeared and testified.

ISSUES

(1) Did the Department of Human Services determine the proper level of Claimant's Medical Assistance (MA)?

(2) Did the Department of Human Services determine the proper amount of Claimant's Food Assistance Program (FAP) benefits?

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 recipient of Medical Assistance (MA) and Food Assistance Program (FAP) benefits.

(2) On September 8, 2009, the Department became aware that Claimant was receiving more disability benefits than had been budgeted in her financial eligibility budgets for Medical Assistance (MA) and Food Assistance Program (FAP) benefits. The additional income was added to the calculations for Claimant's benefits. Claimant was sent a Notice of Case Action (DHS-1605) which stated her Medical Assistance (MA) would be changed to a \$798 deductible case and her Food Assistance Program (FAP) benefits would be reduced to \$32.

(3) On September 29, 2009, Claimant submitted a request for hearing.

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 (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) and the Program Reference Manual (PRM).

In this case, it is undisputed that Claimant is receiving Social Security Administration benefits from two separate sources. The gross amounts of the two separate benefits are \$967 and \$259 for a total of \$1226. In determining Claimant's income for Medical Assistance (MA) eligibility, the only deduction she is eligible for is the \$20 unearned income general exclusion. This leaves Claimant with a countable income of \$1206 for Medical Assistance (MA) eligibility. In accordance with RFT 200 and RFT 240 Claimant's protected income level is \$408. Any amount of countable income over \$408 is excess income for purposes of Medical Assistance (MA) eligibility. In Claimant's case her countable monthly income exceeds her protected income level by \$794. That is the amount of Claimant's deductible amount. That is the same level of Medical Assistance (MA) that the Department determined for Claimant.

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 (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) and the Program Reference Manual (PRM).

When determining eligibility for Food Assistance Program (FAP) benefits in accordance with Department policy, the total income of the household must be evaluated. All earned and unearned income of each household member must be included, unless specifically excluded. Bridges Eligibility Manual, Item 500. The Food Assistance Program (FAP) program provides a deduction from earned income and a deduction for the cost of child care when necessary to enable a Food Assistance Program (FAP) household member to work. A standard deduction from income is allowed for each household. The amount of the standard deduction depends on the number of members in the household. Certain non-reimbursable medical expenses may be deducted for senior/disabled/veteran group members.

Another deduction from income is provided if monthly shelter costs are in excess of 50% of the household's income, after all of the other deductions have been allowed. There is a maximum deduction for households that do not contain a member classified as a senior, disabled, or veteran. Bridges Eligibility Manual, Items 500 and 554; Program Reference Manual, Table 255; 7 CFR 273.2.

In this case, the Administrative Law Judge has reviewed the Food Assistance Program (FAP) budget and finds that the department properly computed the claimant's net income and expenses at the time this financial eligibility budget was run. The federal regulations at 7 CFR

273.10 provide standards for the amount of a household's benefits. The department in compliance with the federal regulations has prepared issuance tables which are set forth at Program Reference Manual, Table 260. The issuance table provides that a household with household size and net income of the claimant's is eligible for a Food Assistance Program (FAP) allotment of \$32.

It is noted that if Claimant begins paying for the Medicare Part B insurance she became eligible for on December 1, 2009, that expense should be added to her Food Assistance Program (FAP) financial eligibility budget. However, Claimant did not have that medical expense in November when this financial eligibility budget was done.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services determined the proper level of Claimant's Medical Assistance (MA) and the proper amount of Claimant's Food Assistance Program (FAP) benefits.

It is ORDERED that the actions of the Department of Human Services, in this matter, are UPHELD.

/s/

Gary F. Heisler
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: February 19, 2010

Date Mailed: February 23, 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.

GFH [REDACTED]

cc: [REDACTED]