

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.: 2010-11895

Issue No.: 2006/3003

Case No.: [REDACTED]

Load No.: [REDACTED]

Hearing Date:

April 7, 2010

Macomb County DHS (12)

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 conducted from Detroit, Michigan on April 7, 2010. Claimant appeared and testified. On behalf of Department of Human Services (DHS), Erica Johnson, Specialist, and Gary Appelt, Manager, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's Medical Assistance (MA) application for failure to verify assets and whether DHS properly calculated 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 applied for FAP and MA on 7/23/09.
2. DHS requested verification of Claimant's assets on 8/1/09.

3. Claimant failed to submit verification for one of her bank accounts.
4. DHS denied Claimant's application for MA on 10/10/09.
5. DHS did budget Claimant's unemployment compensation (UC) income in calculating her FAP benefits.
6. DHS also did budget employment income from a 17 year old who was attending high school.
7. DHS found Claimant to have excess income for FAP benefits.
8. Claimant submitted a hearing request on 10/21/09 regarding closure of FAP.

#### CONCLUSIONS OF LAW

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 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.

It was not disputed that Claimant failed to submit verification for a bank account. Under BEM 400, “Assets must be considered in determining eligibility for FIP, SDA, RAPC, LIF, Group 2 Persons under Age 21 (G2U), Group 2 Caretaker Relative (G2C), SSI-related MA categories and AMP.” LIF and G2C are the only types of MA for which non-pregnant, non-senior, non-disabled adults could qualify. Claimant’s failure to verify her bank account information appropriately resulted in denial of MA for herself and any other program group adults. It is found that DHS properly denied Claimant’s application for MA.

This decision applies only to MA group adults. It was not indicated during the hearing whether DHS denied Claimant’s underage children MA due to Claimant’s failure to verify an asset. A determination of Healthy Kids (HK) MA should be made for any qualifying members as this type of MA does not require verification of assets. BEM 400 at 2.

DHS testified that Claimant’s 7/2009 FAP budget included employment income from a 17 year old student. Employment income of a high school student is disregarded if the student is under age 18 and living with someone else who provides care. BEM 501 at 1. DHS concedes that they did budget employment income that should have been disregarded as student earnings. It is found that DHS incorrectly calculated Claimant’s FAP benefits beginning 7/2009.

DECISION AND ORDER

The actions taken by DHS denying Claimant's application for MA are AFFIRMED in part and REMANDED in part. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's 7/23/09 application for MA for all program group adults due to Claimant's failure to verify an asset. The issue is remanded for evaluation of MA eligibility through HK for any qualifying group members.

The actions taken by DHS regarding Claimant's FAP are REVERSED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS did over-budget Claimant's income in denying Claimant's FAP benefits. It is ordered that DHS shall rebudget Claimant's FAP benefits beginning 7/23/09 excluding qualifying student earnings income.



---

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

Date Signed: 4/13/2010

Date Mailed: 4/13/2010

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 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.

CG/jlg

cc:



Administrative Hearings (2)