

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.: 2010-23070

Issue No.: 2026/3002

Case No.: [REDACTED]

Load No.: [REDACTED]

Hearing Date:

April 19, 2010

Macomb County DHS (36)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

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 hearing. After due notice, a hearing was held in Sterling Heights, Michigan on Monday, April 19, 2010. The Claimant appeared and testified. [REDACTED] appeared on behalf of the Department.

ISSUE

1. Whether the Department properly calculated the Claimant's Food Assistance ("FAP") benefits?
2. Whether the Department properly calculated and notified the Claimant of the Medical Assistance ("MA") deductible based upon excess income?

FINDINGS OF FACT

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

1. The Claimant is a FAP and MA recipient.
2. In February 2010, the Department reviewed the Claimant's case.

3. The Claimant's group size is 2.
4. The Claimant receives \$1,061.00/month in Retirement, Survivors, and Disability Insurance ("RSDI") income. (Exhibit 3, p. 2)
5. The Claimant's spouse began receiving \$555.00/month in RSDI income not previously budgeted. (Exhibit 2, p. 3)
6. The Claimant pays \$605.00/month for rent and is responsible for utilities. (Exhibit 2)
7. The Claimant's monthly FAP allotment was calculated as \$47.00/month. (Exhibit 1)
8. The Claimant is eligible for MA provided a \$1,047.00 monthly deductible is met. (Exhibit 3)
9. On February 3, 2010, the Department sent the Claimant notification of the MA deductible and new monthly FAP allotment.
10. On February 8, 2010, the Department received the Claimant's written request for hearing. (Exhibit 4)

CONCLUSIONS OF LAW

In the record presented, the Claimant requested a hearing regarding the calculation of his FAP allotment as well as the MA deductible amount. Each program will be addressed separately.

FAP benefits

The Food Assistance Program, 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"), 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 Bridges Program Glossary (“BPG”).

Group composition is the determination of which persons living together are included in the FAP program group. BEM 212 All countable earned and unearned income available to the client must be considered in determining the Claimant’s eligibility for program benefits. BEM 500 In determining a FAP allotment, a Heat and Utility Standard is used whenever a FAP group contributes to the heat expense separate from rent, mortgage, or condominium/maintenance payments. BEM 554

In this case, during recertification, the Department learned that the Claimant’s wife began receiving \$555.00/month in RSDI income benefits. The Claimant receives \$1,061.00 in RSDI monthly benefits. Further, the Claimant pays \$605/month for rent and is responsible for utilities. The wife’s RSDI income was not previously budgeted. As a result of the increase in unearned income, the Claimant’s FAP benefits were reduced to \$47.00. The Claimant agreed with the figures used in calculating the FAP allotment but disagreed with the decrease. Ultimately, the Department established it acted in accordance with Department policy when, at review, the Department included the Claimant’s spouse unearned income. Accordingly, the Department’s FAP determination is AFFIRMED.

MA Deductible

The Medical Assistance (“MA”) program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administered by the DHS pursuant to MCL 400.10 *et seq* and MCL 400.105. Department policies are found in the BAM, BEM, and BPG.

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105 Medicaid is also known as Medical Assistance (“MA”). *Id.* The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. *Id.* Programs for individuals not receiving FIP or SSI are based on eligibility factors in either the FIP or SSI program thus are categorized as either FIP-related or SSI-related. *Id.* To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.*

FIP- and SSI-related Group 2 eligibility is possible even when net income exceeds the income limit because incurred medical expenses are considered. *Id.* Eligibility is determined on a calendar month basis. BEM 105 MA income eligibility exists for the calendar month tested when there is no excess income or allowable medical expenses that equal or exceed the excess income. BEM 545 The fiscal group’s monthly excess income is called a deductible amount. BEM 545 Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. *Id.*

In this case, the Claimant agreed with the figures used in determining MA eligibility but disagreed with the deductible amount. Ultimately, the Department acted in accordance with Department policy when it calculated the Claimant’s MA budget thus the Department’s MA determination is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department’s FAP and MA determinations are AFFIRMED.

Accordingly, it is ORDERED:

1. The Department's FAP determination is AFFIRMED.
2. The Department's MA determination is AFFIRMED.

Colleen M. Mamelka

Colleen M. Mamelka
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 4/27/2010

Date Mailed: 4/27/2010

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.

CMM/jlg

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