

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.: 2010-51077
Issue No.: 2026/3003
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: September 30, 2010
Wayne County DHS (18)

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 a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on Thursday, September 30, 2010. The Claimant appeared, along with [REDACTED], and testified. [REDACTED] and [REDACTED] appeared on behalf of the Department.

ISSUES

1. Whether the Department properly calculated the Claimant's Food Assistance ("FAP") monthly allotment?
2. Whether the Department properly calculated the Claimant's Medical Assistance ("MA") 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. The Claimant is a FAP and MA recipient.
2. The Claimant receives \$1,259.00/month in Retirement, Survivor, Disability, Insurance ("RSDI") income.
3. The Claimant has a \$625.00/month shelter obligation and is responsible for heat and utilities.
4. The Claimant's group size is 2.

5. In June 2010, the Claimant notified the Department that she pays \$800.00/month for home health care.
6. The Department did not include the home health care expense in the Claimant's FAP budget but did include this figure when calculating her MA budget.
7. In July 2010, the Department reviewed the Claimant's FAP and MA eligibility.
8. The Claimant's MA deductible amount is \$864.00.
9. The Internal Revenue Service ("IRS") deducts \$188.85/month from the Claimant's RSDI income.
10. On August 5, 2010, the Department received the Claimant's written request for hearing.

CONCLUSIONS OF LAW

As a preliminary matter, the Claimant protested her benefits under two programs. Each program will be addressed separately.

FAP Budget

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. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Manual ("BRM").

Group composition is the determination of which persons living together are included in the FAP program group. BEM 212 For FAP purposes, all expenses are converted to a nonfluctuating monthly amount. BEM 554 All countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500 The Department must consider the gross benefit amount before any deduction, unless Department policy states otherwise. *Id.*

In this case, the Department was aware of the Claimant's home health care expense in June 2010 but did not include this expense when calculating the Claimant's FAP benefits. Under these facts, the Department's determination is not upheld.

MA Budget

The Medical Assistance ("MA") program is established by the 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 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 Bridges Reference Manual ("BRM").

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.* 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. *Id.* Deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. *Id.* Each calendar month is a separate deductible period. *Id.* The group must report expenses by the last day of the third month following the month it seeks MA coverage for. *Id.*

In this case, the Claimant agreed with the numbers used in calculated the MA budget but disagreed with the deductible amount. During the hearing, the Claimant acknowledged that the MA budget was accurate. Under these facts, the Department established it acted in accordance with department policy when it calculated the Claimant's MA deductible.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, affirms in part/reverses in part, the Department's determinations.

Accordingly, it is ORDERED:

1. The Department's FAP determination is REVERSED.
2. The Department shall recalculate the Claimant's FAP budget effective July 2010 to include the home health care expense in accordance with department policy.

3. The Department shall notify the Claimant of the determination in accordance with department policy.
4. The Department shall supplement for any lost benefits that the Claimant was entitled to receive if otherwise eligible and qualified in accordance with department policy.
5. 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: 10/05/2010

Date Mailed: 10/05/2010

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 of the rehearing decision.

CMM/jlg

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