

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.: 2010-6203
Issue No.: 2001/3003
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date:
March 4, 2010
Wayne County DHS (55)

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 on March 4, 2010. Claimant appeared and testified through an interpreter, [REDACTED], [REDACTED], Manager, appeared on behalf of Department of human Services (DHS).

ISSUES

Whether DHS properly calculated Claimant's Food Assistance Program ("FAP") benefits beginning with benefit month 8/2009. Whether DHS properly denied Claimant's application for Medical Assistance (MA)?

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 for himself, his spouse and his son on 8/25/09.
2. Claimant has a FAP benefit group of three.

3. Claimant is part of a non-senior, non-disabled and non-disabled veteran group.
4. Claimant is not disabled, senior, pregnant or a caretaker and is approximately 57 years old.
5. Claimant's spouse is not disabled, senior, pregnant or a caretaker and is approximately 50 years old.
6. Claimant's child is not disabled, senior, pregnant or a caretaker and is approximately 23 years old.
7. Claimant's son's gross weekly checks were verified to be 8/6/09-\$176, 8/13/09- \$240, 8/20/09- \$248 and 8/27/09- \$272.
8. Claimant's rent is \$500 per month.
9. Claimant is responsible for paying heat and is eligible for the full utility standard.
10. DHS determined Claimant to be eligible for \$390/month in FAP beginning 9/1/09
11. DHS determined Claimant's spouse and child ineligible for Medical Assistance because the application was only signed by Claimant.
12. DHS determined Claimant was eligible for Adult Medical Program coverage in 8/2009 but not Medicaid.
13. Claimant filed a Hearing Request on 10/9/09 objecting to the amount of FAP, the AMP coverage and the denial of any coverage for his wife and spouse.

CONCLUSIONS OF LAW

Food Assistance Program

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”), formally 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 Reference Table Manuals (“RFT”).

Claimant does not dispute any of the information used by DHS in calculating the FAP budget. Claimant is disputing the calculated FAP benefit amount of \$390 per month beginning 9/1/09. BEM 556 directs how FAP benefits are calculated. DHS processed a FAP budget for Claimant beginning 9/2009 based on an application from 8/25/09.

Claimant’s son has weekly employment income. The average gross employment amount was multiplied by 4.3 to convert the income into a full month resulting in a monthly gross income of \$1006.

BEM 556 requires calculating FAP benefits based on 80% of a client’s earned income. That total, dropping cents, is \$804 ($\$1006 \times .8$). BEM 556 also requires a standard deduction based on Claimant’s FAP group size (3 persons) of \$132. Subtracting the standard deduction creates an adjusted gross income of \$672.

Claimant’s housing expense is \$500 and by paying heat, Claimant receives the maximum \$555 utility standard expense. Claimant’s total shelter expenses are calculated by adding housing expenses with standard utility expenses. Claimant’s total shelter expense is \$1055.

Claimant’s excess shelter amount is \$719; the difference between Claimants’s housing costs (\$1055) and half of Claimant’s adjusted gross income (\$336). In Claimant’s circumstances, the excess shelter amount (\$719) is more than the shelter maximum deduction of \$459. At the hearing DHS and Claimant provided testimony confirming Claimant’s rent amount as \$500 and utility obligations which justify the maximum utility standard. The lesser of the excess shelter

costs or maximum shelter deduction is to be subtracted from Claimant's adjusted gross income to determine Claimant's net income. In the present case, Claimant's net income is \$213. Per RFT 260 the correct amount of FAP benefits for a group of 3 with the previously stated net income is \$462 per month.

A partial budget was submitted by DHS; however, the budget did not include the original excess shelter calculation. The FAP group's income was confirmed by the budget. The undersigned can only speculate but based on the net income portion of the budget which was submitted, DHS probably calculated Claimant's FAP without giving Claimant credit for paying rent or utilities. The undersigned can only find that DHS made this calculation in error as no evidence or testimony was presented otherwise.

Further, the testimony indicated that Claimant began receiving FAP benefits starting 9/1/09. Based on the above FAP calculation, Claimant is entitled to a prorated FAP amount for 8/2009 based on the provided application date of 8/25/09.

Medical Assistance

Claimant sought Medical Assistance for himself, his spouse and child. DHS denied the registration for MA for Claimant's spouse and child because they did not sign the application. BAM 110 covers application processing and reads as follows regarding MA,"Application may be made on behalf of a client by his spouse, parent, legal guardian, adult child, stepchild, specified relative or any other person provided the person is at least age 18 or married...The application form must be signed by the client or the individual acting as his authorized representative." A signed authorization is not required.

In the present case, Claimant applied for MA for his spouse and adult child. Such a request is authorized and should not be denied for a failure of the spouse or adult child to sign the

application. Claimant should be warned that his spouse and child are probably not eligible for any MA programs other than AMP and AMP may be denied due to a freeze in enrollments.

Claimant also contends that he is entitled to a more beneficial MA program than AMP. Claimant is aged between 21-65 years, not disabled, not pregnant and not a caretaker of a minor child. As such, the only medical program for which Claimant is eligible is Adult Medical Program (AMP). Claimant was an ongoing recipient of AMP. DHS did not take any actions to affect Claimant's eligibility.

DECISION AND ORDER

The actions by DHS are REVERSED in part. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS:

1. improperly calculated FAP beginning 8/2009; the case is remanded for DHS to calculate Claimant's FAP beginning 8/2009 through the month of the hearing and to include the above income, rent and utility amounts; DHS is also to determine Claimant's 8/09 pro-rated FAP benefits based on the same income and obligations;
2. Improperly denied Claimant's request for MA for his spouse and adult child; the case is remanded to DHS to determine MA eligibility for Claimant's spouse and adult child;
3. Properly denied Claimant's request for MA other than AMP.



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

Date Signed: 3/30/2010

Date Mailed: 3/30/2010

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

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