

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.: 2011-2740
Issue No.: 2006/3015
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: December 1, 2009
Wayne County DHS (41)

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 hearing was held in Detroit, Michigan on Wednesday, December 1, 2009. The Claimant appeared and testified. The Claimant was represented by [REDACTED] of [REDACTED] [REDACTED], [REDACTED], [REDACTED], and [REDACTED] appeared on behalf of the Department.

ISSUE

1. Whether the Department properly terminated the Claimant's Medical Assistance ("MA") benefits effective September 2010 due to the failure to timely complete the recertification?
2. Whether the Department properly denied the Claimant's food assistance ("FAP") application?

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 was a MA recipient.
2. On May 12, 2010, the Department mailed the recertification packet to the Claimant with a due date on or before June 9, 2010. (Exhibit 6)
3. The Claimant did not return the redetermination packet thus the scheduled telephone interview did not take place.

4. On June 9, 2010, the Department sent a Notice of Missed Interview to the Claimant. (Exhibit 7)
5. On August 19, 2010, the Claimant submitted an online application for public assistance seeking FAP benefits.
6. The Claimant received monthly child support payments for each of her two children for the months of May through July in the amounts of \$1,954.75, \$604.96, and \$192.49 respectively. (Exhibit 4)
7. The Claimant's group size is 3.
8. In August 2010, the Claimant's employment ended.
9. The Claimant collected unemployment benefits in August 2010 in the biweekly amount of \$580.00. (Exhibit 5)
10. The Claimant's monthly shelter obligation was \$650.00. (Exhibit 3)
11. On August 20, 2010, the Department sent a Notice of Case Action to the Claimant informing her that her MA benefits would terminate effective September 1, 2010. (Exhibit 8)
12. The Claimant's income was under the gross income limit for FAP eligibility. (Exhibit 1)
13. As a result of the unearned income, the Claimant was found ineligible for FAP benefits due to excess income. (Exhibit 2)
14. The Department notified the Claimant of the FAP determination.
15. On September 29, 2010, the Department received the Claimant's written request for hearing. (Exhibit 9)

CONCLUSIONS OF LAW

In this case, the Claimant protested the termination of her MA benefits and the denial of her FAP application. Each program will be separately addressed.

MA termination

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

Department of Human Services (“DHS”), formerly known as the Family Independence Agency, pursuant to MCL 400.10, *et seq* and MCL 400.105. Departmental policies are found in the Bridges Administrative Manual (“BAM”), the Bridges Eligibility Manual (“BEM”), and the Bridges Reference Manual (“BRM”).

Clients must cooperate with the local office in determining initial and ongoing eligibility to include the completion of the necessary forms. BAM 105 Verification means documentation or other evidence to establish the accuracy of the client’s verbal or written statements. BAM 130 Client’s are allowed 10 calendar days (or other time limit specified in policy) to provide the requested verifications. BAM 130 If the client cannot provide the verification for MA purposes, despite a reasonable effort, the time limit should be extended up to three times. *Id.* Verifications are considered timely if received by the due date. *Id.* The Department periodically re-evaluates cases to ensure continued eligibility for benefits. BAM 210 A negative action notice is sent when the client refuses to provide the requested verifications or the time period has lapsed for the request and the client has not made a reasonable attempt to provide it. BAM 130

In this case, the Department mailed the Claimant a redetermination packet for her MA benefits. No information was submitted. The Claimant testified that she was not concerned with the MA benefits because her children were covered under her ex-husband’s insurance policy. In light of the foregoing, it is found that the Department established that it acted in accordance with department policy when it terminated the Claimant’s MA benefits for failing to complete the recertification process. Accordingly, the Department’s determination is AFFIRMED.

FAP application

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 BAM, BEM, and 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 Child support is income to the child for whom the support is paid and is considered when determining FAP eligibility. BEM 500 The Department must consider the gross benefit amount before any deduction, unless Department policy states otherwise. *Id.* A group’s monthly benefits are based in part, on a prospective income determination. BEM 505 A standard monthly amount must be determined for

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each income source used in the budget. BEM 505 Weekly benefit amounts are converted to a monthly amount by multiplying the weekly amount by 4.3. BEM 505 Bi-weekly amounts are converted to a monthly amount by multiplying the amount by 2.15. BEM 505 In determining a FAP allotment, shelter expense is an allowable expense and includes rent payments. BEM 554

In this case, for the months of May, June, and July, the Claimant received child support for each child in the amount of \$1,954.75, \$604.96, and \$192.49, respectively. The Claimant's employment ended in August thus earnings from employment were not considered. The UCB (Unemployment Compensation Benefits) Report showed that the Claimant received a bi-weekly benefit amount of \$580.00. The Claimant denied receipt of this benefit but was unable to establish otherwise. At this time, the gross income limit was \$3,052.00 and the net income limit was \$1,526.00. The Department properly included all unearned income and shelter expense when determining the Claimant's FAP eligibility. Ultimately, due to the unearned income, the Claimant did not pass the net income test. Accordingly, the Claimant was not eligible for FAP benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law finds the Department acted in accordance with department policy when it terminated the Claimant's MA benefits and denied the Claimant's FAP application.

Accordingly, it is ORDERED:

1. The Department's termination of MA benefits is AFFIRMED.
2. The Department's denial of the Claimant's FAP application is AFFIRMED.

Colleen M. Mamelka

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

Date Signed: 12/27/2010

Date Mailed: 12/27/2010

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

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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.

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