

STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No: 2011-27863

Issue No: 3002; 2001

[REDACTED]

[REDACTED]

Eaton County DHS

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing received on [REDACTED]. After due notice, a telephone hearing was held on [REDACTED]. Claimant personally appeared and provided testimony.

ISSUE

- 1) Whether the department properly closed Claimant's Adult Medical Program (AMP) for excess income?
- 2) Whether the department properly decreased 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 was receiving AMP and FAP at all times pertinent to this hearing. (Hearing Summary).
2. Claimant's AMP and FAP cases came due for a redetermination during the month of March, 2011. A Redetermination packet was mailed to Claimant on February 14, 2011, informing Claimant of her telephone interview for March 1, 2011 at 9 A.M. (Department Exhibits 13-16).
3. A Notice of Case Action (DHS 1605) was mailed to Claimant on March 23, 2011, informing Claimant that her AMP case was closed due to excess income. (Department Exhibits 11-13).

4. Claimant submitted a hearing request on April 5, 2011, protesting the closure of her AMP benefits and a reassessment of her benefits. (Request for a Hearing).

#### CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1).

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

Department policy provides that income eligibility exists when the program group's net income does not exceed the program group's AMP income limit. BEM 640. The AMP income limits are in RFT 236. The department must use only available income. Available income means income which is received or can reasonably be anticipated. Available income includes amounts garnished from income, joint income, and income received on behalf of a person by his representative. BEM 640. The department averages income received in one month which is intended to cover several months by dividing the income by the number of months it covers to determine the monthly available income. The average amount is considered available in each of the months. When determining income from the past month, use the amount actually received in the past month. BEM 640.

For the individual income deduction, [REDACTED] is deducted from a program group member's gross earnings. An additional [REDACTED] is then deducted of the person's remaining gross earnings. The total disregard cannot exceed the person's gross earnings. BEM 640.

In this case, Claimant returned her Redetermination packet with new employment listed. The department completed an eligibility determination based on the paystubs Claimant submitted. A claimant with a group size of one has a maximum income limit of [REDACTED]. RFT 236. Because Claimant's net income of [REDACTED] exceeded the allowable AMP monthly income limit of [REDACTED], the department closed Claimant's AMP case.

Claimant testified that at the time of the Redetermination she was no longer working at Peebles because her employment ended at the end of February. The departmental representative stated that during the Redetermination interview on March 1, 2011, Claimant indicated that she was still working at Peebles, which is why he added it to her Assistance Application. Claimant then admitted that she had not notified the department that she was no longer working at Peebles until April 5, 2011, after she received the notice informing her that her AMP case was being closed. However, the department had no record of receiving information from Claimant that she was no longer working at Peebles.

Claimant testified that she had given the department the information on April 5, 2011, and the record was left open until May 12, 2011, to allow Claimant the opportunity to fax a copy of the documentation she had provided to the department. On May 12, 2011, the department submitted a Verification of Employment the department received from Peebles on May 10, 2011, showing Claimant's last day of work was March 1, 2011. Claimant failed to submit any documentation showing she had notified the department she was no longer employed at Peebles prior to May 10, 2011.

For FAP purposes, all earned and unearned income available to Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMP), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

In this case, Claimant was contesting the department's FAP eligibility redetermination of [REDACTED]. As a result of the hearing regarding Claimant's employment with [REDACTED] as outlined above, Claimant obtained a Verification of Employment from [REDACTED], and submitted it to the department after the hearing on May 10, 2011. Acting on the new information, the department removed the income attributed to [REDACTED] and ran a new eligibility determination. Effective June 1, 2011, Claimant will begin receiving [REDACTED] a month in FAP benefits.

### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly closed Claimant's AMP case due to excess income and properly determined Claimant's FAP eligibility based on the information she submitted at the time of the redetermination.

Accordingly, the department's actions are UPHHELD.

