

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

IN THE MATTER OF:

[REDACTED]

Reg. No. 2011-35479
Issue Nos. 1018, 2019, 3002
Case No. [REDACTED]
Hearing Date: June 23, 2011
Macomb (12)

ADMINISTRATIVE LAW JUDGE: Jan Leventer

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to Michigan Compiled Laws (MCL) 400.9 and 400.37, and Claimant [REDACTED] request for a hearing. After due notice, a telephone hearing was held on June 23, 2011. The Claimant appeared and testified at the hearing. [REDACTED] Eligibility Specialist, appeared and testified at the hearing on behalf of the Department of Human Services (DHS).

ISSUE

Whether DHS calculated Claimant's Food Assistance Program (FAP) benefits, Family Independence Program (FIP) benefits, and Medical Assistance Patient Pay Amount (MA or Medicaid PPA, spend-down or deductible), for June, 2011, in accordance with DHS policy and procedure?

FINDINGS OF FACT

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

1. In 2011, Claimant was a DHS customer receiving benefits from the FAP, FIP and MA programs.
2. On May 1, 2011, the U.S. Social Security Administration (SSA) approved Claimant for \$716 per month Retirement, Survivors and Disability Insurance (RSDI) benefits.

3. On May 20, 2011, DHS issued a Notice of Case Action which terminated Claimant's FIP benefits, reduced Claimant's FAP benefits, and imposed a Medicaid spend-down requirement of \$122 upon Claimant. All of these actions were to become effective June 1, 2011.
4. On May 27, 2011, Claimant filed a Request for Hearing with DHS.
5. In June, 2011, SSA failed to pay Claimant his RSDI benefits, resulting in a June, 2011 income for Claimant of zero (\$0.00).

CONCLUSIONS OF LAW

FIP was established by the U.S. Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 United States Code 601 *et seq.* DHS administers FIP pursuant to MCL 400.10 *et seq.* and Michigan Administrative Code Rules (MACR) 400.3101-400.3131. Department policies are found in Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM) and Reference Tables (RFT). These manuals are available online at www.michigan.gov/dhs-manuals.

FAP was established by the U.S. Food Stamp Act of 1977 and is implemented by Federal regulations contained in Title 7 of the Code of Federal Regulations. DHS administers FAP pursuant to MCL 400.10 *et seq.* and MACR 400.3001- 400.3015. Department policies are found in BAM, BEM and RFT. *Id.*

MA was established by Title XIX of the U.S. Social Security Act and is implemented by Title 42 of the U.S. Code of Federal Regulations. DHS administers MA pursuant to MCL 400.10 *et seq.* and MCL 400.105. DHS policies are found in BAM, BEM and RFT. *Id.*

BAM, BEM and RFT are the policies and procedures DHS officially created for its own use. While the DHS manuals are not laws created by the U.S. Congress or the Michigan Legislature, they constitute legal authority which DHS must follow. It is to the manuals that I look now, in order to see what policies apply in this case. After setting forth what the applicable policies are, I will examine whether they were in fact followed in this case.

In this case, Claimant is contesting the June, 2011 termination of FIP, the reduction of FAP, and the Medicaid spend-down requirement. Claimant's concern is that he does not understand why these changes occurred even though he had no income.

BEM 505, "Prospective Budgeting/Income Change Processing," provides DHS with procedures for adjusting benefits when a client's income undergoes change. DHS is

required to make changes in the amount of benefits when a person's income changes. So, while DHS' calculations based on the May, 2011 RSDI income were correct at the time, when Claimant then had no income in June, the calculations are invalid for that particular month. BEM 505, p. 5.

In conclusion, based on the above findings of fact and conclusions of law, I find and determine that DHS is REVERSED. DHS is required to reopen and reprocess Claimant's FAP, FIP and MA cases, and make new income calculations for the month of June, 2011. DHS shall provide Claimant with any supplemental benefits to which he is entitled.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, ORDERS that DHS is REVERSED. IT IS ORDERED that DHS shall reopen and reprocess Claimant's FAP, FIP and MA benefits, based on his June, 2011 income of zero or other appropriate number, and provide Claimant with all supplemental benefits to which he is entitled for June, 2011.



Jan Leventer
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: June 28, 2011

Date Mailed: July 28, 2011

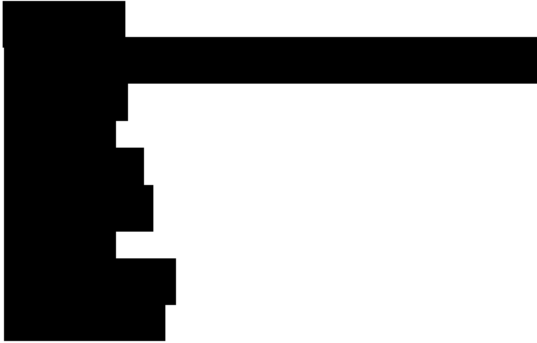
NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

2011-35479/JL

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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.

JL/cl

cc:

A large black rectangular redaction box covers the names and email addresses of the recipients listed in the 'cc:' field.