

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

[REDACTED]
Oakland County DHS

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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. After due notice, a telephone hearing was held on August 23, 2011. Claimant personally appeared and provided testimony.

ISSUE

Did the department properly determine Claimant's eligibility for FAP and MA deductible amount?

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 active for FAP and MA benefits. (Hearing Summary). Claimant has a group size of 3 (three). (Department Exhibit 9).
2. At all relevant times, Claimant receives [REDACTED] in monthly earned income and [REDACTED] in unearned income. (Department Exhibit 32).
3. On April 22, 2011, the department mailed Claimant a Notice of Case Action (DHS-1605) the closed her FAP benefits due to excess income. (Department Exhibits 3 & 4).
4. On May 5, 2011, the department mailed Claimant a Notice of Case Action (DHS-1605) which denied her MA benefits because Claimant requested that assistance be discontinued and because no group member was an eligible child. (Department Exhibits 3 & 4).

5. Claimant submitted a hearing request on June 9, 2011 contesting the FAP closure and her [REDACTED] MA deductible. (Request for a Hearing).

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (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 or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (BRM).

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.

For all types of assistance, income means a benefit or payment received by an individual which is measured in money. BEM 500. It includes money an individual owns even if not paid directly such as income paid to a representative. BEM 500. Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. BEM 500. Unearned income is all income that is not earned. BEM 500.

The department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505. All income is converted to a standard monthly amount. BEM 505.

Claimant was receiving monthly earned income in the amount of [REDACTED] and monthly unearned income of [REDACTED] at the time relevant to this matter. Therefore, Claimant's group received a total monthly income of [REDACTED], which is reduced by a 20% earned income deduction of [REDACTED] and a standard deduction of [REDACTED], which leaves an adjusted gross income of [REDACTED].

The MA program is also referred to as Medicaid. BEM 105. 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. The Medicaid program is comprised of several sub-programs or categories. One category is FIP recipients. BEM 105. Another category is SSI recipients. BEM 105. There are several other categories for persons

not receiving FIP or SSI. BEM 105. However, the eligibility factors for these categories are based on (related to) the eligibility factors in either the FIP or SSI program. BEM 105. Therefore, these categories are referred to as either FIP-related or SSI-related. BEM 105.

To receive Medicaid under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant women, receive Medicaid under FIP-related categories. BEM 105. For MA only, a client and the client's community spouse have the right to request a hearing on an initial asset assessment only if an application has actually been filed for the client. BEM 105.

For purposes of Claimant's MA deductible, the total net income is [REDACTED]. Claimant lives in Oakland County, which is Shelter Area VI. RFT 200. The protected income limit (PIL) for Oakland County (Shelter Area VI) with a group size of 1 is [REDACTED]. The PIL subtracted from the net income is the remaining deductible. [REDACTED] BEM 536. Accordingly, the appropriate MA deductible amount for Claimant's MA is [REDACTED]. Accordingly, the department properly determined Claimant's MA deductible.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department acted in accordance with policy in determining Claimant's FAP amount and MA deductible amount.

The department's FAP and MA deductible amount is AFFIRMED.

It is SO ORDERED.

/s/

C. Adam Purnell
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 9/14/11

Date Mailed: 9/14/11

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.

CAP/ds

■ [REDACTED]