

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201144291
Issue No: 2001
Case No: [REDACTED]
Hearing Date: September 1, 2011
Calhoun County DHS

ADMINISTRATIVE LAW JUDGE: Christopher S. Saunders

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 held on September 1, 2011. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly close the claimant's Adult Medical Program (AMP) case due to excess income?

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 receiving AMP benefits and was sent a redetermination (DHS 1010) on April 13, 2011. (Department Exhibit 11).
2. The claimant submitted the completed redetermination along with the required verifications on May 9, 2011. (Department Exhibit 11).
3. Based upon the income levels supplied by the claimant, the department determined that the claimant's income was above the allowable income limit. (Department Exhibit2).
4. The claimant was sent a notice of case action (DHS 1605) on June 10, 2011, informing him that his case would be closing due to excess income as of July 1, 2011. (Department Exhibit 1).
5. The claimant submitted a hearing request on June 23, 2011.

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; (115)(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 states Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of the necessary forms. Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. BAM, Item 105, p. 5. Clients must take actions within their ability to obtain verifications. DHS staff must assist when necessary. See BAM 130 and BEM 702. BAM, Item 105, p. 8.

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.

For the AMP program, income eligibility exists when the program group's net income does not exceed the program group's AMP income limit. BEM 640. The group's net income is determined after subtracting deductions from the group's allowable gross income. BEM 640.

In determining prospective income, department policy states that past income is to be used to determine prospective income. BEM 505. The department is to use income provided from the last thirty days to determine prospective income. If the income from the last thirty days is not sufficient to show what the claimant is to expect in terms of income, the department is instructed to use income from the preceding three months to determine future income. BEM 505. The department is to determine the average of the preceding three months and use that amount to determine prospective income. BEM 505.

In the case at hand, the claimant disputed the amount of income the department attributed to his employment. The claimant testified that he works seasonal

employment and that his income changes from month to month. The department used the preceding three months to determine income eligibility based on information provided by the claimant through the redetermination process. The department arrived at an average net income of [REDACTED], which is above the AMP income limit of [REDACTED] RFT 236.

The claimant contends that because he works a seasonal job, the months that the department used to calculate his income are not indicative of his actual annual income amount because the months reflect his busier season. However, during the hearing, the department used the same budget figures but included the income from the winter months (the claimant's slowest months) and still found the claimant to be over the allowable income limit. Furthermore, at the hearing the department used an average income from the entire year to budget for the claimant and the result was an income level that was still over the allowable income amount. Therefore, this Administrative Law Judge finds that the department acted properly in accordance with policy in calculating the claimant's prospective income and properly closed the claimant's AMP case due to his income exceeding the allowable amount.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly closed the claimant's AMP case due to excess income.

Accordingly, the department's actions are **AFFIRMED**. SO ORDERED.

/s/

Christopher S. Saunders
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: September 12, 2011

Date Mailed: September 13, 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 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.

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