

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201144413
Issue No.: 2001 3002
Case No.: [REDACTED]
Hearing Date: August 24, 2011
Wayne County DHS (17)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 August 24, 2011 from Detroit, Michigan. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], [REDACTED], Specialist, and Lori Williams, Manager, appeared and testified.

ISSUES

1. Whether DHS properly denied Claimant's spouse for Adult Medical Program (AMP) benefits due to a freeze in enrollments.
2. Whether DHS properly reduced Claimant's Food Assistance Program (FAP) benefits effective 5/2011 due to a reduction in shelter obligation.

FINDINGS OF FACT

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

1. On an unspecified date, Claimant applied for Medical Assistance (MA) benefits for his spouse.
2. On 2/21/11, Claimant applied for Medical Assistance (MA) benefits for his spouse.
3. On an unspecified date, DHS denied MA benefits to Claimant's spouse for failing to meet an eligible MA category and due to a freeze on AMP enrollments.

4. Claimant was also an ongoing FAP benefit recipient.
5. In or prior to 3/2011, Claimant's housing obligation was reduced from approximately \$1200 to \$900.
6. Effective 5/2011, DHS reduced Claimant's FAP benefits to \$314/month.
7. On 4/15/11, Claimant requested a hearing to dispute the denial of MA benefits to his spouse and the reduction in FAP benefits for 5/2011.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

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 (formerly known as the Family Independence Agency) pursuant to MCL 400.10, *et seq.* Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The Food Assistance Program (formerly known as the Food Stamp 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). DHS administers the FAP pursuant to Michigan Compiled Laws 400.10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

Concerning AMP benefits, the undersigned will refer to the DHS regulations in effect as of 2/2011, the month of the DHS decision which Claimant is disputing. Concerning FAP benefits, the undersigned will refer to regulation in effect of 4/2011, the estimated month

of the FAP decision in dispute. Current DHS manuals may be found online at the following URL: <http://www.mfia.state.mi.us/olmweb/ex/html/>.

The Medicaid program is comprised of several sub-programs which fall under one of two categories; one category is FIP-related and the second category is SSI-related. BEM 105 at 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant, women receive MA under FIP-related categories. *Id.* AMP is an MA program available to persons not eligible for Medicaid through the SSI-related or FIP-related categories.

It was not disputed that Claimant's spouse does not meet the FIP-related or SSI-related MA categories. Accordingly, it is found that DHS properly denied Claimant's spouse for Medicaid benefits. However, it must still be determined if Claimant's spouse was eligible for MA benefits through AMP.

DHS specialists are to determine if there is an enrollment freeze in effect before considering eligibility for AMP benefits. BEM 640 at 1. AMP is a DHS program which has been opened for brief periods before DHS freezes the program from new applicants. Claimant applied for AMP benefits on 2/21/11. DHS credibly provided testimony that AMP enrollments have been frozen since 12/1/10. Accordingly, DHS properly denied Claimant's spouse eligibility for AMP benefits.

Claimant also had a dispute concerning a FAP benefit reduction from \$367 in 4/2011 to \$314 effective 5/2011. Claimant requested a hearing primarily because he did not like the FAP benefit reduction, not because he contended it was incorrectly calculated.

DHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 at 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, DHS considers the following expenses: child care and excess shelter (housing and utilities) up to a capped amount and court ordered child support and arrearages paid to non-household members. For groups containing SDV members, DHS also considers the medical expenses for the SDV group member(s) and the full excess shelter expense. It was not disputed that Claimant was disabled thereby making the FAP benefit group an SDV group.

DHS provided testimony that the FAP benefit reduction was solely caused by a verified reduction in Claimant's housing obligation. It was not disputed that Claimant's housing obligation reduced from approximately \$1200 to \$900. Claimant accepted this as a basis for the FAP reduction. Though the undersigned cannot state with certainty that the FAP benefit reduction was correct without looking at the entire 5/2011 FAP benefit

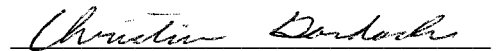
budget, an approximate \$300 housing obligation reduction would be a very reasonable explanation for a \$53 FAP benefit reduction.

Claimant also speculated that DHS failed to factor his utility expenses. DHS gives a flat utility standard to all clients. BPB 2010-008. The utility standard of \$588 (see RFT 255) encompasses all utilities (water, gas, electric, telephone) and is unchanged even if a client's monthly utility expenses exceed the \$588 amount. It was not verified with certainty that Claimant received the standard utility credit, though it is highly probable that Claimant received the credit. The credit is automatically issued through the DHS computer system.

Claimant also contended that DHS failed to factor medical expenses for his spouse. As indicated above, medical expenses may be factored in a FAP budget, but only for SDV members. Because Claimant's spouse was neither a senior, disabled nor a disabled veteran, DHS properly failed to consider her medical expenses. It is found that DHS properly determined Claimant's FAP benefits as \$314/month effective 5/2011.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly reduced Claimant's FAP benefits effective 5/2011 to \$314/month and properly denied MA benefits for Claimant's spouse. The actions taken by DHS are AFFIRMED.


Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: August 26, 2011

Date Mailed: August 26, 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 of the rehearing decision.

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