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



Reg. No.: 2011-46213 Issue No.: 2026, 3003 Case No.: Hearing Date: September 8, 2011 Oakland County DHS (02)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

HEARING DECISION

This matter is before the undersigned Ad ministrative Law Judge upon Claimant's request for a hearing made pur suant to MCL 400.9 and MCL 400.37, which govern the administrative hearing and appeal process. After due notice, a telephone hearing was conducted from Detroit, Mich igan on Wednesday, Sept ember 8, 2011. T he Claimant appeared and testified. appeared on behalf of the Department of Human Services ("Department").

ISSUE

Whether the Department proper ly increased the Claimant's Medical Assistance ("MA") deductible and decreased the Claimant's food assistance ("FAP") based on an increase in earned income?

FINDINGS OF FACT

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

- 1. The Claimant is a MA and FAP recipient.
- 2. The Claimant's group size is 5.
- 3. As part of the redetermination proce ss, the Claimant submitted two earning statements showing gross earnings over a 4 week period of \$1,720.75.

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- 4. On July 20, 2011, the Department sent a Notice of Case Action t o the Claimant informing him of his \$59.00 M A deductibl e and monthly FAP benefits in the amount of \$498.00, each effective August 1, 2011.
- 5. On July 20, 2011, the Department rece ived the Claimant's timely request for hearing.

CONCLUSIONS OF LAW

The Medical Assistance ("MA") program is est ablished by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administer ed by the Department of Human Services, formerly k nown as the Family Independence Agency, pursuant to MCL 400.10 *et seq.* and MCL 400.105. Department polic ies are found in the Bridges Administrative Manual ("BAM"), t he Bridges Eligibility Manual ("BEM"), and the Bridges Reference Tables ("RFT").

The Food Assistanc e Program, formerly k nown as the Food Stamp program, is established by the Food Stam p Act of 1977, as amended, and is implem ented by the federal regulations contained in Title 7 of the Code of Federal Regulations ("CFR"). The Department of Human Services, formerly k nown as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et seq.* and MAC R 400.3001-3015. Departmental policies are found in the BAM, BEM, RFT.

FIP- and SSI-related Group 2 elig ibility is possible even wh en net income exceeds the income limit because incurred medical expenses are considered. BEM 105. Eligibility is determined on a calendar month basis. BEM 105. MA income eligibility exists for the calendar month tested when there is no ex cess income or allowable medic al expenses that equal or exceed the excess income. BEM 545. The fiscal group's monthly excess income is called a deductible amount. BEM 545. Meeting a deductible means reporting and verifying allowable medica I expenses that equal of exceed the deductible amount for the calendar month tested. BEM545.

All countable earned and unearned income available to the client must be considered in determining the Claimant's e ligibility for program benefits. BEM 500. The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. BEM 500 Pr ospective income is income not yet received but expect ed. BEM 505. Pros pective budgeting is the best estimate of the client's future income for future benefits. BEM 505. All income is converted to a monthly amount. BEM 505. A standard monthly am ount must be determined for each inc ome source used in the budget. BEM 505. W eekly benefit amounts are converted to a monthly amount by multiplying the weekly amount by 4.3. BEM 505. Bi-weekly amounts are converted by multiplying the amount by 2.15. BEM 505.

In this case, as part of the redetermination process, the Claimant submitted two earning statements covering a 4 week period totali ng \$1,720.75. The Department divided the figure in half to determine the average bi-weekly a mount and then mult iplied this amount by 2.15 to arrive at the prospective monthly income of \$1,849.81. As a result of the income, the Claim ant's MA deductible increased and hi s FAP benefits decreased. Ultimately, the Department established it ac ted in accordance with Department policy when it determined the Claim ant's MA and F AP eligibil ity. Acc ordingly, the Department's actions are upheld.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Department established it acted in accordance with Department policy when it increased the Claimant 's MA deduc tible and decreased the Claimant's FAP benefits based on the Claimant's prospective monthly income.

Accordingly, it is ORDERED:

The Department's determination is AFFIRMED.

Collin M. Mamilka

Colleen M. Mamelka Administrative Law Judge For Maura Corrigan, Director Department of Human Services

Date Signed: September 13, 2011

Date Mailed: September 13, 2011

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at t he request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hear ings will not orde r a rehearing or reconsideration on the Department's mo tion where the final decis ion cannot be implemented within 90 days of the filing of the original request.

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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.

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