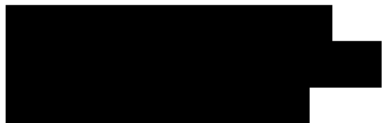


STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No: 201149194  
Issue No: 2001, 3002  
Case No: [REDACTED]  
Hearing Date: September 22, 2011  
Tuscola County DHS  
Tuscola 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 22, 2011. The claimant personally appeared and provided testimony.

**ISSUES**

1. Did the department properly close the claimant's Adult Medical Program (AMP) case due to excess income?
2. Did the department properly determine the amount of the claimant's Food Assistance Program (FAP) benefits?

**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 and FAP benefits.
2. The department was notified on July 27, 2011 that the claimant's husband had been approved for RSDI in the amount of [REDACTED] per month effective July 1, 2011. (Department Hearing Summary).
3. Based upon the new income level for the claimant's group, the department ran a budget for AMP eligibility and FAP eligibility and benefit amount. (Department Hearing Summary).

4. Based on the new income from RSDI provided to the department, the department determined that the claimant was not eligible for the AMP program due to excess income. (Department Exhibit 2).
5. Based on the new income from RSDI provided to the department, the department calculated the claimant's FAP allotment, and in turn reduced the amount from what the claimant had previously been receiving. (Department Exhibit 1 pages 10-12 and pages 3-9).
4. The claimant was sent a notice of case action (DHS 1605) on July 27, 2011, informing her that her AMP case would be closing due to excess income as of September 1, 2011 and that her FAP benefits would be decreased as of September 1, 2011 due to excess income. (Department Exhibit 1 pages 3-9).
5. The claimant submitted a hearing request on August 8, 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 the case at hand, the claimant's husband was approved for RSDI in the amount of \$757.40 effective July 1, 2011. The department properly used this amount in determining the claimant's eligibility for the AMP program. The department was not able to apply any deductions, and therefore arrived at a net income of \$757.00 (see Department Exhibit 2), which is above the AMP income limit of \$425.00. RFT 236. Therefore, the department properly determined that the claimant was not eligible for AMP benefits due to excess income.

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 Bridges 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.

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.

In the case at hand, the department used the gross income of the claimant's husband's RSDI in the amount of [REDACTED] 0 to determine the amount of the FAP benefit. The department gave the claimant a deduction for Medicare premiums paid in the amount of [REDACTED], a standard deduction of [REDACTED], and an excess shelter deduction of [REDACTED] resulting in a net income amount of [REDACTED]. A claimant with a group size of 2 and a monthly net income of [REDACTED] is eligible for a monthly FAP benefit of [REDACTED]. RFT 260. Therefore, the department properly determined the claimant's FAP benefit allotment.

**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 and properly determined the claimant's FAP benefit allotment.

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 30, 2011

Date Mailed: October 3, 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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