

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

**IN THE MATTER OF:**

[REDACTED]

Reg No: 2011- 1608  
Issue No: 2026/1018  
Case No: [REDACTED]  
Hearing Date:  
January 18, 2011  
Wayne County DHS (76)

**ADMINISTRATIVE LAW JUDGE:** Lynn M. Ferris

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 hearing. After due notice, a telephone hearing was conducted in Wayne County, Michigan on January 18, 2011. The Claimant was present and testified. Sharon Anderson, FIS appeared on behalf of the Department.

ISSUE

Whether the Department properly denied the Claimant's application for Family Independence Program (cash assistance) (FIP) benefits and Medical Assistance Program ("MA") benefits?

FINDINGS OF FACT

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

1. Claimant applied for FIP- Cash Assistance (Family Independence Program), Child Development and Care (CDC) and Medicaid (MA) benefits on October 25, 2010.

2. The Claimant's application for FIP Cash Assistance was denied because her income exceeded the income limits for eligibility for Cash Assistance.
3. The Claimant confirmed the amount of her earned income of \$1111 per month as correct. The FIP budget included the correct earned income amount. Exhibit 1 and Exhibit 2.
4. The Claimant's income after the appropriate deductions exceeds the Payment standard of \$403 per month and thus the Claimant is not eligible for Cash Assistance. Exhibit 1
5. The Department correctly denied the Claimant's application for Cash Assistance due to excess income Exhibit 1
6. At the hearing the Department agreed to reinstate the Claimant's Medical Assistance application retroactive to October 25 2010 and to calculate the spend down amount as of the date of the application based upon the income provided by the Claimant.
7. Currently the Claimant is eligible for Medicaid and has a spend down deductible amount.
8. The Claimant is not eligible for Medicaid without a spend down due to excess income.
9. The Claimant's CDC application is still pending and at the time of the Claimant's hearing request the Claimant's CDC benefits were not resolved as the Department has not received verification of the Claimant's provider's completion of the mandated orientation and training. Until it receives the verification the Department cannot approve the provider and

effectuate CDC coverage. At the time of the hearing the Department had not taken any action adverse to the Claimant's application for CDC.

10. The Claimant requested a hearing November 5, 2010 protesting the denial of her application for cash assistance and Medicaid spend down amount and the fact that her CDC application had not yet been approved.
11. As the Department agreed to reinstate the Claimant's Medical Assistance retroactive to the date of her application of October 25, 2010, and to determine the correct spend down amount, the Claimant indicated that she no longer wished to proceed with the hearing as regards that issue.

#### CONCLUSIONS OF LAW

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (formerly known as the Family Independence Agency) administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Program Reference Manual (PRM).

#### FIP (CASH ASSISTANCE)

At the hearing the Claimant confirmed the amount of her earned income of \$1111 per month and the FIP budget was reviewed. The Claimant's income after the appropriate deductions exceeds the Payment standard of \$403 per month and thus the Claimant is not eligible for Cash Assistance. Exhibit 1

## MEDICAL ASSISTANCE

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 (RFT).

Under Bridges Administrative Manual Item 600, clients have the right to contest any agency decision affecting eligibility or benefit levels whenever they believe the decision is illegal. The agency provides an Administrative Hearing to review the decision and determine if it is appropriate. Agency policy includes procedures to meet the minimal requirements for a fair hearing. Efforts to clarify and resolve the client's concerns start when the agency receives a hearing request and continues through the day of the hearing.

In the present case the Department has agreed to reopen the Claimant's Medical Assistance application retroactive to the application date of October 25, 2010 and to calculate a medical spend down budget based upon the income verification it had available at that time period. As a result of this agreement, Claimant indicated she no longer wished to proceed with regard to the issue of Medical Assistance as the Department's offer to reinstate her MA application and determine her medical spend down amount was acceptable. Since the Claimant and the Department have come to an agreement regarding the Medicaid application it is unnecessary for this Administrative Law Judge to make a decision with regard to this issue.

Finally, the issue with regard to the Claimant's eligibility for Child Development and Care eligibility is not ripe for decision as the Claimant's case is open pending receipt by the Department of the Claimant provider's proof of attendance at the mandated orientation for CDC providers. As the Department has not taken any action with regard to the Claimant's CDC benefits there is nothing for the Administrative Law Judge to decide with regard to the CDC.

### DECISION AND ORDER

#### FIP

The Administrative Law Judge based upon the findings of Fact and conclusions of law finds that the Department correctly determined that the Claimant is not eligible for FIP cash assistance and its decision in that regard is AFFIRMED.

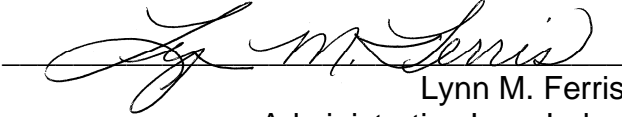
#### Medical Assistance, (Spend down budget amount)

The Administrative Law Judge, based upon the findings of fact and conclusions of law, finds that the Department and Claimant have come to a settlement regarding claimant's request for a hearing.

Accordingly, it is ORDERED

1. The Department shall reopen and reinstate the Claimant's MA application retroactive to October 25, 2010, and shall prepare a MA spend down budget utilizing the income verified by the Claimant at the time of her application.
2. The Claimant is required to submit the necessary verification information within 10 days of request for verification. If the Claimant is unable to return all the requested information within the 10 day time period, the claimant shall advise the Department of the need for an extension of time or for assistance as the case may be, and shall do so before the expiration of the due date to return the verification information.
3. The Claimant shall file a new medical assistance application for retroactive medical assistance benefits within the time for filing the necessary verifications. If the Claimant is unable to return the completed retroactive MA application within the 10 day time period, the claimant shall advise the

Department of the need for an extension of time and shall do so before the expiration of the due date to return the new application.

  
Lynn M. Ferris  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 02/01/11

Date Mailed: 02/03/11

**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 90 days of the filing of the original request.

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.

LMF/

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