

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

IN THE MATTER OF:

[REDACTED]  
[REDACTED] Case  
[REDACTED]

Oakland

Reg  
Issue  
Hearing

No: 2011-21292  
No: 2001, 3003  
No: [REDACTED]  
Date: [REDACTED]

County DHS (04)

ADMINISTRATIVE LAW JUDGE: [REDACTED]

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 from Detroit, Michigan on [REDACTED]. The Claimant appeared and testified. [REDACTED], Assistance Payments Supervisor and [REDACTED], Assistance Payments worker appeared on behalf of the Department.

ISSUE

Whether the Department properly denied the Claimant Adult Medical Program ("AMP") benefits based on excess income.

Whether the Department properly calculated Claimant's Food Assistance Program ("FAP") benefits effective [REDACTED].

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 the Adult Medical Program (AMP) on [REDACTED] [REDACTED] and is a current FAP recipient. Exhibit1

2. The Department denied the Claimant's AMP application due to excess income on [REDACTED] Exhibit 2
3. At the time of the application, the Claimant was receiving [REDACTED] per week in unemployment benefits. Exhibit 3
4. The Claimant's countable income was [REDACTED] per month in unemployment benefits.
5. The Claimant's gross unearned income exceeded the [REDACTED] income limit for AMP. Exhibit 4
6. The Claimant currently receives [REDACTED] per month in food assistance. The Claimant pays [REDACTED] per month for his mortgage and the Department also granted a [REDACTED] heat and utility credit. The Department correctly calculated the excess shelter deduction to be [REDACTED] Exhibit 5
7. The Department correctly calculated the Claimant's FAP benefits. The Department utilized the claimant's bi weekly unemployment income of [REDACTED] ( $[REDACTED] + [REDACTED] = [REDACTED]$ ) and multiplied it by 2.15 as required by policy and correctly determined the countable unearned income to be [REDACTED] Exhibit 6
8. The Department also credited the Claimant with a standard deduction of [REDACTED] which is the correct deduction for one person. The Claimant is a FAP group of one member and is not disabled.
9. The Department correctly calculated the Claimant's FAP benefits to be [REDACTED] per month. Exhibit 6

10. The Claimant requested a hearing on [REDACTED] seeking a hearing regarding the denial of his application for medical assistance and the amount of his food assistance.

### CONCLUSIONS OF LAW

#### **A. FAP**

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 (formerly known as the Family Independence Agency) 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 Program Reference Manual (PRM).

Department Policy defines household income to include unemployment benefits.

Unemployment benefits are included in gross income as provided in BEM 503:

BEM 503, P. 24 -25:

#### **UNEMPLOYMENT BENEFITS**

Unemployment benefits include:

- Unemployment compensation benefits (UB) available through the Michigan Unemployment Insurance Agency (UIA) and comparable agencies in other states, and
- Supplemental unemployment benefits (SUB pay) from an employer or other source.

Count the gross amount as unearned income.

The Claimant's gross amount of biweekly unemployment benefits is [REDACTED] and is multiplied by 2.15 to get the gross unearned monthly income. The Department correctly

determined the Claimant's gross monthly unearned income to be [REDACTED] BEM 505, P. 6 and 7.

Only 80% of earned income is counted in determining FAP benefits. BEM 550. [REDACTED] is deducted from the gross income of FAP recipients in determining FAP grants. RFT 255. Deductions for excess shelter are also made. BEM 554. Medical expenses over [REDACTED] are also taken into consideration for groups with one or more SDV (Senior, Disabled or Veteran). BEM 554, P. 1.

In the present case, according to the aforementioned policy on budgeting for FAP benefits, Claimant had a net monthly unearned income from his unemployment benefits of [REDACTED] and an adjusted gross income of [REDACTED]. This figure was obtained by subtracting the standard deduction of [REDACTED]. The excess shelter amount of [REDACTED] was subtracted from the adjusted gross income of [REDACTED] to get the net income amount of [REDACTED]. The amount of food assistance allotment is established by RFT 260. A household of one person with a net monthly income of [REDACTED] as of [REDACTED] was entitled to a monthly FAP grant of [REDACTED] per month. RFT 260.

Based upon the foregoing review it is found that the Department correctly calculated the Claimant's FAP benefits and its determination in that regard is AFFIRMED.

#### **B. AMP**

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 contained in the Bridges

Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

The Adult Medical Program (AMP) is available to individuals who meet all the eligibility factors. BEM 640. There are two categories of AMP. The G program (AMP-G) is for SDA cash payment recipients who are not eligible for MA or other Department medical programs, and who do not have private health care coverage. The H program (AMP-H) is available to clients who receive medical benefits only. BEM 640, p. 2. The Claimant if eligible for AMP would be in the H category.

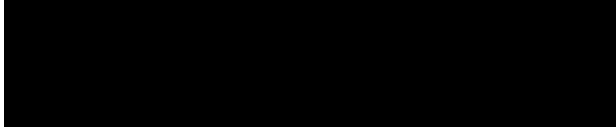
Income eligibility exists when the applicant's net income does not exceed the program group's AMP income limit. BEM 640, p. 3, RFT 236. Countable income is income remaining after applying AMP policy in PEM 500. Id. Only available income is used. Available means income which is received or can reasonably be anticipated.

The monthly income limit in November 2010 for an AMP group of one living independently was [REDACTED] per month. BEM 640, RFT 236. In the present case, Claimant received unemployment benefits in the amount of [REDACTED] weekly, for a total of [REDACTED] per month. The budget submitted by the Department finding the Claimant's income exceeded the income limit was correct. Based upon the foregoing facts and relevant law, it is found that the Department's determination to deny the Claimant's AMP application is AFFIRMED.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the findings of fact and conclusions of law, finds that the Department correctly calculated the Claimant's FAP benefits and its determination that the Claimant is entitled to [REDACTED] per month in FAP benefits is correct and is AFFIRMED.

The Department's decision to deny the Claimant's application for AMP benefits, because the Claimant's income exceeded the AMP income limit, is AFFIRMED.



Administrative  
for  
Department

Law Judge  
Maura Corrigan, Director  
of Human Services

Date Signed: 04/21/11

Date Mailed: 04/26/11

**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/dj

cc:



Oakland County DHS (Dist #04)



Administrative

Hearings