

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

IN THE MATTER OF THE CLAIM OF:

[REDACTED]

Reg. No.: 201122481
Issue No.: 2026; 3002
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: March 30, 2011
Oakland County DHS

ADMINISTRATIVE LAW JUDGE: Susan C. Burke

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 March 30, 2011. The Claimant was present and testified. The Department of Human Services (Department) was represented by [REDACTED].

ISSUE

Was the Department correct in its calculation of Claimant's Food Assistance Program (FAP) grant and in its calculation of Claimant's Medical Assistance (MA) deductible?

FINDINGS OF FACT

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

1. Claimant was an ongoing recipient of FAP and MA in a household of two persons for FAP purposes and a group of one for MA purposes.
2. Claimant received unearned income of \$2,039.00 per month. Claimant had an obligation for shelter, utilities and heat.
3. The Department determined that Claimant is entitled to \$43.00 in FAP benefits per month.
4. The Department determined that Claimant's MA was subject to a deductible.

5. Claimant requested a hearing contesting the amount of the FAP grant and the amount of his MA deductible.

CONCLUSIONS OF LAW

FOOD ASSISTANCE PROGRAM

The Food Assistance Program (FAP) 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 administers the FAP program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in BAM, BEM and PRM, which includes the Reference Tables (RFT.).

The federal regulations define household income to include SSI and RSDI benefits, as well as earned income. 7 CFR 273.9(b) Under 7 CFR 273.9, as amended, and RFT 255, \$141.00 is deducted from the gross income of FAP recipients in a household of two in determining FAP grants. Under 7 CFR 273.9, deductions for excess shelter are also made. BEM 554.

In the present case, according to the aforementioned policy on budgeting, Claimant had a net monthly income of \$1,080.00. This was obtained by subtracting the standard deduction of \$141.00 for a group of two and the shelter deduction of \$818.00 from the gross unearned income of \$2,039.00. Claimant submitted medical information which will be included properly in future budgets. The amount of a monthly food assistance allotment is established by regulations at 7 CFR 273.10. A household of two persons with a net monthly income of \$1,080.00 is entitled to a monthly FAP grant of \$43.00 per month. RFT 260. The Department was therefore correct in its calculation of Claimant's FAP grant.

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 Program Reference Manual (PRM), which includes Reference Tables (RFT).

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. Medicaid is also known as Medical Assistance (MA). BEM105.

201122481/SCB

The State of Michigan has set guidelines for income, which determine if an MA group is eligible. Income eligibility exists for the calendar month tested when:

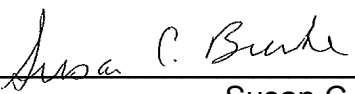
- There is no excess income, **or**
- Allowable medical expenses equal or exceed the excess income (under the deductible guidelines.) BEM 545.

In the present case, Claimant submitted evidence for the first time at hearing relating to medical expenses which the Department did not include in its budget. Since the Department did not include the relevant medical expenses, the Department's calculation of Claimant's remaining deductible was not correct.

It is also noted that Claimant's request for hearing included a request regarding Claimant's son's MA. At the hearing, Claimant stated that he understood that since his son is twenty-three years of age, Claimant's son must apply for his own M A. Claimant indicated he no longer requested a hearing with regard to his son's MA.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department was correct in its calculation of Claimant's FAP grant, but incorrect in its calculation of Claimant's MA deductible, and it is therefore ORDERED that the Department's decision with regard to the FAP grant is AFFIRMED and the Department's decision with regard to the MA deductible is REVERSED. It is further ORDERED that the Department recalculate Claimant's MA deductible for February 1, 2011, and onward. It is further ORDERED that Claimant's request for a hearing with regard to his son's MA is DISMISSED.



Susan C. Burke
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: April 18, 2011

Date Mailed: April 18, 2011

201122481/SCB

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 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.

SCB/ hw

cc:

