

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.: 20112410  
Issue No.: 3002; 2027  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: November 15, 2010  
Office: Oakland County DHS (02)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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 November 15, 2010. The claimant appeared and testified; [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

**ISSUES**

1. Whether DHS properly determined Claimant's Food Assistance Program (FAP) benefits beginning 10/2010.
2. Whether DHS properly updated Claimant's MA benefits after Claimant was no longer eligible for Supplemental Security Income (SSI) 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. Claimant was an ongoing FAP recipient.
2. Claimant is part of a FAP group of one.
3. Claimant is a disabled individual who received Supplemental Security Income (SSI) benefits through 5/2010.

4. Beginning 6/2010, Claimant stopped receiving SSI benefits and began receiving \$882/month in Retirement, Survivors, Disability Insurance (RSDI) income.
5. Claimant does not have a rent obligation.
6. Claimant has medical expenses which do not exceed \$35/month.
7. On an unspecified date, DHS determined that Claimant was eligible for \$58 in FAP benefits for 10/2010.
8. On an unspecified date, DHS amended Claimant's basis for receiving ongoing Medicaid based on receipt of SSI benefits to Medicaid based on transitional SSI.
9. Claimant requested a hearing on 9/27/10 objecting to the amount of 10/2010 FAP benefits and to the anticipated end of Claimant's MA benefits.

### **CONCLUSIONS OF LAW**

The Food Assistance Program (formerly known as the Food Stamp 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 Reference Tables Manual (RFT).

Claimant indicated that he disputed the DHS determined 10/2010 FAP benefit issuance. Claimant did not have a specific reason for disputing the amount except that the issuance amount was insufficient. The undersigned has no authority to subjectively determine a sufficient FAP benefit amount for Claimant. Claimant's FAP benefits are determined using objective budgetary factors. Neither the undersigned nor DHS has discretion to change how Claimant's FAP benefits are determined. BEM 556 outlines the proper procedures for calculating FAP benefits.

It was not disputed that Claimant receives \$882/month in RSDI income. For all programs, the gross amount of RSDI is countable income. BEM 503 at 20.

Claimant's one-person FAP group receives a standard deduction of \$141. RFT 255. The standard deduction is subtracted from the countable monthly income to calculate the FAP group's adjusted gross income. The adjusted gross income amount is found to be \$741.

Claimant conceded not verifying a rent obligation. Claimant was issued the maximum utility credit allowed by DHS policy, \$588. RFT 255. The rent expense is added to the utility expense to calculate Claimant's total monthly housing obligation of \$588.

Claimant's excess shelter cost is the difference between Claimant's housing costs (\$588) and half of Claimant's adjusted gross income. The excess shelter amount is found to be \$218 (rounding cents up).

Claimant's net income is determined by taking Claimant's adjusted gross income (\$741) and subtracting the excess shelter cost (\$218). Claimant's net income is found to be \$523. Based on a FAP group of one with a net income of \$523, Claimant's FAP benefits amount is calculated to be \$43, less than the \$58 that DHS issued to Claimant for 10/2010. RFT 260 at 10.

The discrepancy between the amounts calculated by DHS and the undersigned is explained by DHS mistakenly crediting Claimant with a \$50/month rent obligation. Claimant's representative honestly testified that Claimant has no such obligation. As DHS is issuing more in FAP benefits to Claimant than what Claimant is entitled to receive, the DHS decision is affirmed.

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 Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

BAM 600 lists the circumstances for issues that are appropriate for an administrative hearing. The circumstances are: denial of an application and/or supplemental payments, reduction in the amount of program benefits or service, suspension or termination of program benefits or service restrictions under which benefits or services are provided or delay of any action beyond standards of promptness. BAM 600 at 3.

In the present case, Claimant disputed a change in the basis for which Claimant receives ongoing Medicaid. DHS previously issued Medicaid to Claimant for being a recipient of SSI. After Claimant's SSI benefits stopped, DHS continued Claimant's Medicaid but through the Transitional SSI program. As Claimant's Medicaid stayed the

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same, Claimant has not presented an issue which affects Claimant's benefits. Claimant may request a hearing in the future should DHS reduce Claimant's Medicaid coverage.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant failed to establish an adverse action taken by DHS concerning Claimant's MA benefits. Claimant's hearing request is partially DISMISSED.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS over-issued Claimant's FAP benefits for 10/2010 and Claimant is not entitled to an increase in FAP benefits for that month. The actions taken by DHS are partially AFFIRMED.



Christian Gardocki  
Administrative Law Judge  
For Ismael Ahmed, Director  
Department of Human Services

Date Signed: November 16, 2010

Date Mailed: November 16, 2010

**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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