

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2011-37569

Issue No: 3000, 2001

[REDACTED]

Service Center (District #18)

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the DHS client's ("Claimant's") request for a hearing received on June 8, 2011. After due notice, a telephone hearing was held on August 16, 2011. Claimant personally appeared and provided testimony.

ISSUE

Did the department properly determine Claimant's Food Assistance Program (FAP) benefits and Medical Assistance (MA) Program eligibility?

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 receiving FAP in the amount of [REDACTED] monthly and MA benefits at all times pertinent to this hearing. The fiscal group size at all relevant times was 3 (three).
2. On May 26, 2011, Claimant's husband and group member began working through Michigan Works Agency. (Department Exhibit 6).
3. At the time, Claimant's group received RSDI unearned income in the amount of [REDACTED] per month and the group's earned income from wages was [REDACTED] per month. (Department Exhibit 1).
4. Based on the new income, the Department budgeted Claimant's FAP to be [REDACTED] for the benefit period of June 1, 2011 through June 30, 2011. (Department Exhibits 3 & 4).

5. The Department learned that Claimant's monthly group earned income increased to [REDACTED] but that her RSDI decreased to [REDACTED] per month. The Department recalculated Claimant's FAP based on the changed income. (Department Exhibits 1 & 2).
6. On June 4, 2011, the Department mailed Claimant a Notice of Case Action (DHS-1605) which calculated her June, 2011 FAP at [REDACTED] per month and her July, 2011 FAP to [REDACTED]. The Department also determined that Claimant was not eligible for AMP because she currently receives supplemental security benefits and is not included in the group and that her husband is not eligible for MA-Group 2 because he is eligible in another case. (Notice of Case Action)
7. On June 8, 2011, Claimant submitted a hearing request contesting the closure of her MA-Group 2 benefits for her husband and the reduction of her FAP benefits. (Request for a Hearing).

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. BAM 600. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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. The department's policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

The MA program is also referred to as Medicaid. BEM 105. 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. BEM 105. The Medicaid program is comprised of several sub-programs or categories. One category is FIP recipients. BEM 105. Another category is SSI recipients. BEM 105. There are several other categories for persons not receiving FIP or SSI. BEM 105. However, the eligibility factors for these categories are based on (related to) the eligibility factors in either the FIP or SSI program. BEM 105. Therefore, these categories are referred to as either FIP-related or SSI-related. BEM 105.

To receive Medicaid under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. Families with

dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant women, receive Medicaid under FIP-related categories. BEM 105. For MA only, a client and the client's community spouse have the right to request a hearing on an initial asset assessment only if an application has actually been filed for the client. BEM 105.

Concurrent receipt of benefits means assistance received from multiple programs to cover a person's needs for the same time period. BEM 222. MA is available to a person who is aged (65 or older), blind or disabled. BEM 166. All eligibility factors must be met in the calendar month being tested. BEM 166. If the month being tested is an L/H month and eligibility exists, go to BEM 546 to determine the post-eligibility patient-pay amount. BEM 166.

In order to be eligible for MA-Group 2, the person must not be eligible for MA under BEM 155 through 164, 170 or 171, but may be eligible for a Medicare Savings Program under BEM 165. BEM 166. The person must be aged, blind or disabled (BEM 240, Age, or BEM 260, MA Disability/Blindness). BEM 166. The MA eligibility factors in the following items must be met.

- BEM 220, Residence.
- BEM 221, Identity.
- BEM 223, Social Security Numbers.
- BEM 225, Citizenship/Alien Status.
- BEM 255, Child Support.
- BEM 256, Spousal/Parental Support.
- BEM 257, Third Party Resource Liability.
- BEM 265, Institutional Status.
- BEM 270, Pursuit of Benefits.

For FAP purposes, all earned and unearned income available to the 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), 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. All income is converted to a standard monthly amount. If the client is paid weekly, the department multiplies the average weekly amount by 4.3. If the client is paid every other week, the department multiplies the average bi-weekly amount by 2.15. BEM 505.

For FAP, all income is converted to a standard monthly amount. BEM 505. If the client is paid weekly, the department multiplies the average weekly amount by 4.3. If the client is paid every other week, the department multiplies the average bi-weekly amount by 2.15. BEM 505.

In this case, Claimant's husband worked at a factory through Michigan Works/Employment Plus located in Livonia. Claimant's household earned income, after her husband started working, revealed that the group's monthly income was [REDACTED]. Claimant's initial RSDI was [REDACTED] but then, per the SOLQ, Claimant's monthly unearned income from RSDI increased to [REDACTED]. Less the earned income deduction of \$ [REDACTED] - [REDACTED] equals [REDACTED]. After the standard deduction of [REDACTED] for a group size of 3, Claimant's adjusted gross income is [REDACTED]. RFT 255. The non-S/D/V shelter maximum is [REDACTED]. Therefore, the proper FAP monthly benefit calculation is [REDACTED]. RFT 260. Thus, the department's calculation for Claimant's FAP benefits for July 1, 2011 was accurate.

With regard to the Department's denial of eligibility for AMP, the Department provided a DHS-1605 which indicated that Claimant's MA was denied because her husband was eligible for MA-Group 2 in another case. This Administrative Law Judge was provided with a Notice of Case Action (DHS-1605) indicating that Claimant's husband was active in case number 103256281. In that DHS-1605, there is sufficient evidence that Claimant's husband was active for MA in another case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department acted in accordance with policy in determining the claimant's FAP benefits.

The department's FAP calculation of [REDACTED] AMP eligibility determination is AFFIRMED and the department's denial of eligibility for MA is AFFIRMED for the reasons stated above.

It is SO ORDERED.

/s/
C. Adam Purnell
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 9/8/11

Date Mailed: 9/8/11

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 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.

CAP/ds

