

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

IN THE MATTER OF:

TINA DECOSTER
[REDACTED]

Reg. No.: 20114249
Issue No.: 2026; 3003
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: December 2, 2010
Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 December 2, 2010. The Claimant appeared and testified. [REDACTED], Medical Contact Worker appeared on behalf of the Department.

ISSUE

Was the Department correct in determining Claimant's MA and FAP 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 recipient of FAP and MA benefits.
- (2) Claimant was awarded social security benefits in August 2010.
- (3) After redetermination, effective October 1, 2010, Claimant's FAP benefits were reduced to \$69 and a deductible of \$697 was determined for the household.
- (4) Claimant receives \$1092 unearned income from social security benefits.
- (5) Claimant has child support expense of \$268.

- (6) Claimant requested a hearing on October 29, 2010 contesting the determination of MA benefits and reduction of FAP benefits.

CONCLUSIONS OF LAW

The Food Assistance Program, 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"), formerly known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Program Reference Manual ("PRM").

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).

The federal regulations define household income to include all earned income. 7 CFR 273.9(b). All monthly income must be converted to a nonfluctuating monthly amount. Only 80% of earned income is counted in determining FAP benefits. (BEM 550). Under 7 CFR 273.9, as amended, \$132.00 is deducted from the gross income of FAP recipients in determining FAP grants.

In the present case, Claimant had \$1092 gross income from social security benefits for the month in question. The standard deduction of \$132 was taken, as well as \$268 child support expense, resulting in adjusted income of \$692. Claimant does not qualify for an excess shelter deduction. The Food Assistance Issuance Table shows \$69 in benefit for \$692 net income for a household of 1. (RFT 260). This is the amount determined by the Department and is correct.


In the present case, Claimant is contesting the deductible amount for her MA benefits. Claimant receives \$1092 gross per month in social security benefits. After subtracting \$20 for the general exclusion, the Department determined that Claimant had net income of \$1072 which exceeds the monthly protected income level for a 1 person household of \$375 by \$697 per month. Claimant was consequently ineligible to receive Medical assistance. However, under the deductible program, if the Claimant incurs medical expenses in excess of \$697 during the month, she may then be eligible for Medical Assistance. This ALJ finds that the Department has acted in accordance with

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Department policy and law in denying ongoing Medical assistance and determining her deductible amount.

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 the reduction of Claimant's FAP benefits and determination of MA deductible amount, and it is ORDERED that the Department's decision is hereby AFFIRMED.


Aaron McClintic
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: December 10, 2010

Date Mailed: December 10, 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 of the rehearing decision.

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