

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2011-46213
Issue No.: 2026, 3003
Case No.: [REDACTED]
Hearing Date: September 8, 2011
Oakland County DHS (02)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

HEARING DECISION

This matter is before the undersigned Administrative Law Judge upon Claimant's request for a hearing made pursuant to MCL 400.9 and MCL 400.37, which govern the administrative hearing and appeal process. After due notice, a telephone hearing was conducted from Detroit, Michigan on Wednesday, September 8, 2011. The Claimant appeared and testified. [REDACTED] appeared on behalf of the Department of Human Services ("Department").

ISSUE

Whether the Department properly increased the Claimant's Medical Assistance ("MA") deductible and decreased the Claimant's food assistance ("FAP") based on an increase in earned income?

FINDINGS OF FACT

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

1. The Claimant is a MA and FAP recipient.
2. The Claimant's group size is 5.
3. As part of the redetermination process, the Claimant submitted two earning statements showing gross earnings over a 4 week period of \$1,720.75.

4. On July 20, 2011, the Department sent a Notice of Case Action to the Claimant informing him of his \$59.00 MA deductible and monthly FAP benefits in the amount of \$498.00, each effective August 1, 2011.
5. On July 20, 2011, the Department received the Claimant's timely request for hearing.

CONCLUSIONS OF LAW

The Medical Assistance ("MA") program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administered by the Department of Human Services, formerly known as the Family Independence Agency, 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 Bridges Reference Tables ("RFT").

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. Departmental policies are found in the BAM, BEM, RFT.

FIP- and SSI-related Group 2 eligibility is possible even when net income exceeds the income limit because incurred medical expenses are considered. BEM 105. Eligibility is determined on a calendar month basis. BEM 105. MA income eligibility exists for the calendar month tested when there is no excess income or allowable medical expenses that equal or exceed the excess income. BEM 545. The fiscal group's monthly excess income is called a deductible amount. BEM 545. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. BEM545.

All countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500. The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. BEM 500. Prospective income is income not yet received but expected. BEM 505. Prospective budgeting is the best estimate of the client's future income for future benefits. BEM 505. All income is converted to a monthly amount. BEM 505. A standard monthly amount must be determined for each income source used in the budget. BEM 505. Weekly benefit amounts are converted to a monthly amount by multiplying the weekly amount by 4.3. BEM 505. Bi-weekly amounts are converted by multiplying the amount by 2.15. BEM 505.

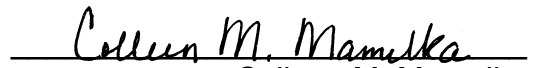
In this case, as part of the redetermination process, the Claimant submitted two earning statements covering a 4 week period totaling \$1,720.75. The Department divided the figure in half to determine the average bi-weekly amount and then multiplied this amount by 2.15 to arrive at the prospective monthly income of \$1,849.81. As a result of the income, the Claimant's MA deductible increased and his FAP benefits decreased. Ultimately, the Department established it acted in accordance with Department policy when it determined the Claimant's MA and FAP eligibility. Accordingly, the Department's actions are upheld.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Department established it acted in accordance with Department policy when it increased the Claimant's MA deductible and decreased the Claimant's FAP benefits based on the Claimant's prospective monthly income.

Accordingly, it is ORDERED:

The Department's determination is AFFIRMED.


Colleen M. Mamelka
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: September 13, 2011

Date Mailed: September 13, 2011

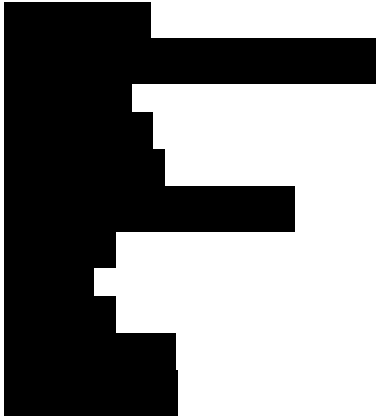
NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

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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.

CMM/cl

cc:

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