

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2011-48484  
Issue No.: 3003  
Case No.: [REDACTED]  
Hearing Date: September 15, 2011  
County: Macomb County DHS (36)

**ADMINISTRATIVE LAW JUDGE:** Lynn M. Ferris

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on September 15, 2011 from Detroit, Michigan. Participants on behalf of Claimant included the Claimant only. Participants on behalf of Department of Human Services (Department) included [REDACTED], ES.

**ISSUE**

Due to excess income, did the Department properly  deny the Claimant's application  close Claimant's case  reduce Claimant's benefits for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?        | <input type="checkbox"/> Adult Medical Assistance (AMP)?    |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)?                  | <input type="checkbox"/> Child Development and Care (CDC)?  |

**FINDINGS OF FACT**

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

1. Claimant  applied for benefits for:  received benefits for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP).        | <input type="checkbox"/> Adult Medical Assistance (AMP).    |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP). | <input type="checkbox"/> State Disability Assistance (SDA). |
| <input type="checkbox"/> Medical Assistance (MA).                  | <input type="checkbox"/> Child Development and Care (CDC).  |

2. On September 1, 2011, the Department  denied Claimant's application  closed Claimant's case  reduced Claimant's benefits due to excess income.
3. On July 27, 2011, the Department sent  Claimant  Claimant's Authorized Representative (AR) notice of the  denial.  closure.  reduction.
4. On August 1, 2011, Claimant or Claimant's AHR filed a hearing request, protesting the  denial of the application.  closure of the case.  reduction of benefits.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3101-3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

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 (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3001-3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 1998-2000 AACS R 400.3151-400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of

1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1997 AACRS R 400.5001-5015.

Additionally, in this case the Claimant's food assistance (FAP) was reduced due to the fact that in August 2011 when computing the benefits, the Claimant had a huge medical expense which totally offset her income. Exhibit 1. Subsequently, in September 2011 the Claimant's medical expenses were reduced and her FAP benefits were decreased accordingly. Based upon a review of the Claimant's income and the shelter expenses used to calculate the budget, the Department correctly reduced the Claimant's benefits effective September 1, 2011. Exhibits 2 and 4.

The Claimant also sought review of all the prior FAP budgets because she had previously supplied medical bills which she asserted should have been applied by the Department, but were not applied. The Claimant's request for review of prior budgets is limited to May, June and July 2011, as she testified that she previously supplied the medical expenses for those months to the Department and that the Department did not include the medical expenses when computing the FAP benefits for those months. The Department confirmed at the hearing that it did have medical expenses in the case file for May 2011. As it could not be determined whether the Claimant received credit for her medical expenses when FAP benefits were computed for the months of May and June 2011, the Department did not establish that the FAP benefits for May and June were correctly computed. July need not be recomputed, as in that month the Claimant received \$200 (the maximum an individual can receive in food assistance). Exhibit 3.

At the hearing, the Claimant sought a review of her FAP benefit calculation before May 2011 and her request was denied, as hearing requests must be received within 90 days from the date of the action. As the Claimant's hearing request was dated August 1, 2011, the Claimant's review as a result of her hearing request was limited to a review of FAP computations from May 1, 2011 forward only. BAM 600.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that, due to excess income, the Department  properly  improperly

- denied Claimant's application
- reduced Claimant's benefits
- closed Claimant's case

for:  AMP  FIP  FAP  MA  SDA  CDC.

### **DECISION AND ORDER**

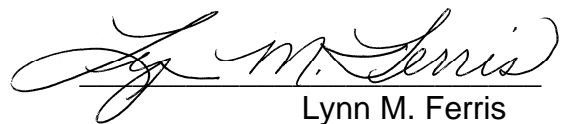
The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly       did not act properly.

Accordingly, the Department's  AMP  FIP  FAP  MA  SDA  CDC decision is  AFFIRMED  REVERSED for the reasons stated on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department is AFFIRMED as regards the reduction in the Claimant's food assistance benefits effective September 1, 2011.
2. As the Department could not confirm that it included medical expenses as part of its calculations for May and June 2011 FAP budgets the Department is REVERSED.
3. The Department is required to recalculate the Claimant's FAP benefits for May and June 2011 to include any medical expenses provided to the Department by the Claimant which it received.
4. The Department shall issue a supplement to the Claimant for any FAP benefits she is otherwise entitled to receive in accordance with Department policy.



Lynn M. Ferris  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: September 22, 2011

Date Mailed: September 22, 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 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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
- misapplication of manual policy or law in the hearing decision,

- typographical errors, mathematical error , or other obvious errors in the hearing decision that effect the substantial rights of the claimant;
- the failure of the ALJ to address other relevant issues in the hearing decision

Request must be submitted through the local DHS office or directly to MAHS by mail at  
Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-07322

LMF/hw

cc:

