

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

**IN THE MATTER OF:**



Reg. No.: 201153164  
Issue No.: 3003, 2026  
Case No.: [REDACTED]  
Hearing Date: October 13, 2011  
County: Wayne County DHS (31)

**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 October 13, 2011, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED], Assistance Payments Worker, and [REDACTED], Assistance Payments Worker.

**ISSUE**

**FOOD ASSISTANCE**

Did the Department properly calculate Claimant's?

- benefits,
- deductible
- co-pay/contribution.shortfall for:

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

**MEDICAL ASSISTANCE**

Did the Department properly calculate Claimant's?

- benefits,
- deductible
- co-pay/contribution.shortfall for:

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

Medical Assistance (MA)?

State Emergency Services (SER)?

### **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 receives

FIP benefits of \$            monthly.

FAP benefits of \$87 monthly.

MA with a \$836 deductible.

SER  copay of \$             contribution of \$             shortfall of \$

SDA benefits of \$            monthly.

CDC benefits of            hours weekly with            % Department pay.

2. On September 7, 2011, Claimant filed a hearing request, protesting the calculation and amount of :

benefits

deductible

copay/contribution/shortfall

### **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 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 1999 AC, Rule 400.3101 through Rule 400.3131. 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 1999 AC, Rule 400.3001 through Rule 400.3015.

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 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.

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 AACS, Rule 400.3151 through Rule 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 1999 AC, Rule 400.5001 through Rule 400.5015.

The SER program is established by 2004 PA 344. The SER program is administered pursuant to MCL 400.10, *et seq.*, and by final administrative rules filed with the Secretary of State on October 28, 1993. MAC R 400.7001-400-7049. Department policies are found in the State Emergency Relief Manual (ERM).

Additionally, After a thorough review of the FAP budget for September 2011 prepared to determine the Claimant's FAP benefits, it is determined that the budget is incorrect, as no medical expenses were included in the FAP budget. The Claimant is a recipient of Social Security RSDI and is disabled, and is thus entitled to have her medical expenses deducted from her FAP gross income when determining adjusted gross income. BEM 554. Because the medical expenses provided by the Claimant were not included when the Department calculated the Claimant's FAP benefit amount the FAP budget must be recalculated. Exhibit 1.

After a thorough review of the SSI related Medicaid (Adults) spenddown budget prepared to determine the Claimant's spenddown amount for September 2011, it is determined that the Department did not include any amount for ongoing medical expenses. Based upon submissions made by the Claimant to the Department, the Claimant had ongoing expenses which were not included. Because these expenses were not determined, the Claimant's deductible is not correct. Although the Department did include current and old bills which reduced the deductible amount significantly, a cursory review of the bills submitted indicate that ongoing expenses should have been determined and included. Based on the foregoing, the SSI Medicaid spenddown budget must be recalculated to include ongoing medical expenses. Exhibit3.

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 the Department

properly calculated Claimant's  benefits,  deductible  
 copay/contribution/shortfall for:

FIP.  FAP.  MA.  SDA.  CDC  SER.

improperly calculated Claimant's  benefits for Food Assistance ,  deductible for Medicaid ,  copay/contribution/shortfall for:

FIP.  FAP.  MA.  SDA.  CDC  SER.

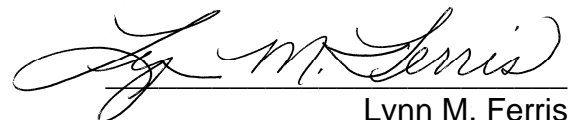
### **DECISION AND ORDER**

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 calculation decision is  AFFIRMED  REVERSED  
 AFFIRMED IN PART with respect to \_\_\_\_\_ and REVERSED IN PART with respect to \_\_\_\_\_ for the reasons stated above and 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 shall initiate recalculation of the Septmeber 2011 FAP budget and shall include verified and eligible medical expenses when determing FAP benefits.
2. The Department shall initiate recalcuation of the Claimant's Medicaid Spendown budget and shall include all verified and eligible ongoing medical expenses when determining the spend down amount.
3. The Department shall issue a supplement to the Claimant for any FAP benefits she was otherwise entitled to receive resulting from the recalcuation of FAP benefits as ordered, in accordance with Department policy.



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

Date Signed: October 19, 2011

Date Mailed: October 19, 2011

**NOTICE:** Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases)

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:

