

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201213035  
Issue No.: 3000  
Case No.: [REDACTED]  
Hearing Date: December 19, 2011  
County: Macomb County DHS (36)

**ADMINISTRATIVE LAW JUDGE:** Andrea J. Bradley

**SETTLEMENT ORDER**

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 December 19, 2011, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Supervisor.

**ISSUE**

Whether the Department properly:

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

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)?    |
| <input type="checkbox"/> Adult Medical Assistance (AMP)?           |   |

**FINDINGS OF FACT**

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

1. On December 1, 2011, the Department:

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

under the following program(s):

- FIP
- FAP
- MA
- AMP
- SDA
- CDC
- SER.

2. On November 8 2011, the Department sent notice to Claimant (or Claimant's Authorized Hearing Representative) of the:

- denial
- closure
- reduction.

3. On November 14, 2011, Claimant filed a request for hearing concerning the Department's action.

### **CONCLUSIONS OF LAW**

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Reference Tables Manual (RFT), and the State Emergency Relief Manual (ERM).

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

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 State Emergency Relief (SER) program is established by 2004 PA 344. The SER program is administered pursuant to MCL 400.10, *et seq.*, and by 1999 AC, Rule 400.7001 through Rule 400.7049. Department policies are found in the State Emergency Relief Manual (ERM).

The proper procedures for calculating a monthly FAP benefit issuance is set forth in BEM 556. Relevant to this case, when calculating the countable monthly income, the Department must subtract countable medical expenses and excess shelter expenses from the Claimant's adjusted gross income to determine net income for FAP eligibility and benefit levels. BEM 554. The Department may consider medical expenses for any group members that are senior, disabled, or a disabled veteran. BEM 554. Medicare premiums that exceed \$35 are considered allowable medical expenses for the purpose of FAP budgeting. BEM 554. Further, with respect to shelter expenses, property taxes, state and local assessments, and insurance on the structure are allowable expenses. BEM 554.

The law provides that disposition may be made of a contested case by stipulation or agreed settlement. MCL 24.278(2).

In the present case, Claimant requested a hearing to dispute the Department's action. Soon after commencement of the hearing, the parties testified that they had reached a settlement concerning the disputed action. Consequently, the Department agreed to do the following: the Department agreed to recalculate the Claimant's based on the change in shelter expense that was provided to the Department. The Department has also agreed to take into consideration allowable medical expenses as set forth in the above-stated policy.

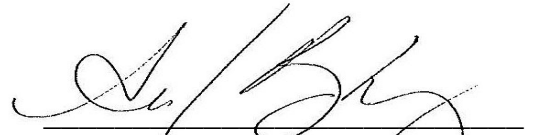
As a result of this settlement, Claimant no longer wishes to proceed with the hearing. As such, it is unnecessary for this Administrative Law Judge to render a decision regarding the facts and issues in this case.

**DECISION AND ORDER**

The Administrative Law Judge concludes that the Department and Claimant have come to a settlement regarding Claimant's request for a hearing.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING:

1. The Department shall abide by the terms of the settlement as set forth above.
2. The Department shall supplement the Claimant for lost benefits he was eligible and otherwise qualified to receive but-for the negative case action dated December 1, 2011.



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Andrea J. Bradley  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 12/29/11

Date Mailed: 12/29/11

**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 to:  
Michigan Administrative hearings

201213035/AJB

Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

AJB / hw

cc:

