

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201232034
Issue No.: 3003
Case No.: [REDACTED]
Hearing Date: March 7, 2012
County: SSPC East (98)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 March 7, 2012 from Detroit, Michigan. Participants on behalf of Claimant included the above named claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Manager.

ISSUE

The issue is whether DHS properly determined Claimant's Food Assistance Program (FAP) benefit eligibility stemming from an application dated 1/6/12.

FINDINGS OF FACT

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

1. On 1/6/12, Claimant applied for FAP benefits.
2. Claimant verified various medical expenses, including a \$100/month Medicare premium.
3. On 2/3/12, DHS determined Claimant was ineligible for FAP benefits based on excess income.
4. The DHS determination dated 2/3/12 failed to factor Claimant's verified medical expenses.

5. On 2/10/12, Claimant requested a hearing to dispute the application denial, specifically, the DHS failure to factor medical expenses.

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 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 Mich Admin Code, R 400.3001 through R 400.3015.

The present case involved a denial of a FAP benefit application dated 1/6/12. DHS agreed that Claimant's medical expenses should have been considered in the FAP benefit eligibility determination.

DHS contended that Claimant's medical expenses were considered based on a presented Medical Expenses Summary (Exhibit 2). The summary listed several medical expenses for Claimant, but there was no indication whether the expenses were considered in the FAP benefit determination.

A Notice of Case Action (NCA) (Exhibit 1) was also submitted. The NCA includes a budget summary of the income and expenses used in the FAP benefit denial. Notably, Claimant's medical expenses were \$0. Based on the presented evidence, it is found that DHS failed to consider medical expenses in the FAP benefit denial.

DHS is to consider only the medical expenses of SDV persons in the eligible group or SDV persons disqualified for certain reasons. BEM 554 at 6. Estimate an SDV person's medical expenses for the benefit period. *Id.* DHS is to base the estimate on all of the following:

- Verified allowable medical expenses.
- Available information about the SDV member's medical condition and health insurance.
- Changes that can reasonably be anticipated to occur during the benefit period.

Groups that do not have a 24-month benefit period may choose to budget a one-time-only medical expense for one month or average it over the balance of the benefit period. *Id.* Groups with a 24 month option have an additional option to have the expenses spread over the first 12 months of the benefit period.

DHS contended that Claimant's submitted medical expenses were too old to be considered. DHS noted no policy support for their contention. Further, the evidence established that Claimant had at least one reoccurring monthly medical expense and

several other medical expenses were submitted to DHS within 30 days after the expenses were incurred (see Exhibit 2). The DHS contention was groundless.

Based on the presented evidence, it is found that DHS improperly failed to consider Claimant's verified medical expenses in the FAP benefit application determination. Accordingly, the DHS application denial is reversed.

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 when

did not act properly in determining Claimant's FAP benefit eligibility stemming from an application dated 1/6/12 by failing to factor verified medical expenses.

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. reinstate Claimant's FAP benefit application dated 1/6/12;
2. determine Claimant's FAP benefit eligibility by factoring Claimant's medical expenses as required by DHS regulations; and
3. supplement Claimant for any FAP benefits not properly issued, if any, as a result of the improper failure to factor medical expenses.



Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 12, 2012

Date Mailed: March 12, 2012

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

CG/hw

cc:

