

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2012-32774  
Issue No.: 3021  
Case No.: [REDACTED]  
Hearing Date: March 14, 2012  
County: Kent

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**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 Wednesday, March 14, 2012 from Lansing, Michigan. Participants on behalf of Claimant included the claimant, the claimant's case manager from [REDACTED] and [REDACTED] Larkin, and authorized representative, [REDACTED] on behalf of Department of Human Services (Department) included [REDACTED]

**ISSUE**

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

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

**FINDINGS OF FACT**

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

1. Claimant  applied for benefits  received benefits for:

- |   |   |
|---|---|
| <input type="checkbox"/> Family Independence Program (FIP). | <input type="checkbox"/> Adult Medical Assistance (AMP).    |
| <input type="checkbox"/> Medical Assistance (MA).           | <input type="checkbox"/> State Disability Assistance (SDA). |

- Food Assistance Program (FAP).
- 2. Due to excess assets, on January 18, 2012, the Department  
 denied Claimant's application.  closed Claimant's case.
- 3. On January 18, 2012, the Department sent  
 Claimant  Claimant's Authorized Representative (AR)  
notice of the  denial.  closure.
- 4. On February 9, 2012, Claimant filed a hearing request, protesting the  
 denial of the application.  closure of the case.

### **CONCLUSIONS OF LAW**

Department policies are found 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 1999 AC, R 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

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 2000 AACS, R 400.3151 through Rule 400.3180.

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.

Additionally, the claimant had had for several years a certificate of deposit (cd) for funeral expenses, which had never been counted as an asset before this

re-determination. The authorized representative called the account an irrevocable funeral trust. However, the written verification submitted to the department and made a part of the hearing packet was a CD with no language of "irrevocable" or "trust". The CD based on language was accessible being redeemable on a specific date or a significant penalty for early withdrawal. As a result, the claimant had excess assets, which made her ineligible for FAP benefits. During the hearing, the claimant's authorized representative stated that she had tried to withdraw and close the account, but the bank would not allow her to because it was an irrevocable account, but that is between the bank and claimant.

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 assets, the Department

properly denied Claimant's application     improperly denied Claimant's application  
 properly closed Claimant's case         improperly closed Claimant's case

for:     AMP     FIP     MA     SDA     FAP.

**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  MA  SDA  FAP 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:

/s/ \_\_\_\_\_  
**Carmen G. Fahie**  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: 3/19/12

Date Mailed: 3/20/12

**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.

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

CGF/ds

