

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

IN THE MATTER OF:



Reg. No.: 201247453
Issue No.: 2013; 3002
Case No.: [REDACTED]
Hearing Date: May 24, 2012
County: Wayne (15)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 May 24, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Assistance Payment Worker.

ISSUE

Did the Department properly close Claimant's case for Low-Income Family (LIF) Medical Assistance (MA) coverage and provide MA coverage with a \$480 monthly deductible?

Did the Department properly calculate Claimant's FAP budgets for January 2012 ongoing?

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 is an ongoing recipient of MA and FAP benefits.
2. Effective February 29, 2012, the Department closed Claimant LIF-MA coverage on the basis that Claimant's income exceeded the income limits for the program.
3. Effective March 1, 2012, the Department provided Claimant with MA-Group 2 coverage with a \$480 monthly deductible.
4. On February 8, 2012, the Department notified Claimant that her monthly FAP benefits would decrease to \$207 effective March 1, 2012 based on an increase in her income.

5. On April 17, 2012, Claimant filed a request for hearing, expressing concerns regarding her MA coverage and fluctuations in her monthly FAP benefits since January 2012.

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 Mich Admin Code, R 400.3101 through R 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 Mich Admin Code, R 400.3001 through R 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, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

MA Benefits

On February 8, 2012, the Department sent Claimant a Notice of Case Action notifying her that, because of excess income, effective March 1, 2012, her Low Income Family (LIF) MA coverage was closing and she would be covered under the MA Group 2 Caretaker Relative policy, with a \$480 monthly deductible.

LIF-MA coverage is available to clients who meet the financial eligibility requirements of the program, which is dependent on the LIF certified group size. BAM 110. Claimant's LIF certified group consists of herself and her two minor children that live with her. BAM 110. The LIF monthly income limit for a group size of three is \$519. RFT 243.

In this case, Claimant's income consisted of weekly gross income of \$362 in unemployment benefits. Thus, she received monthly gross unearned income of \$1448. BEM 503; BEM 530. There are no earned income disregards available to Claimant. BEM 110. Because Claimant's monthly gross income of \$1448 exceeded the LIF monthly income limit of \$519, the Department acted in accordance with Department policy when it concluded that Claimant was no longer eligible for LIF-MA coverage.

The Department provided continuing MA coverage to Claimant under the Group 2 Caretaker Relative program with a \$480 monthly deductible. The Department did not present any evidence at the hearing concerning the manner in which it calculated the monthly deductible. Therefore, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when calculating Claimant's MA deductible.

FAP Benefits

In her hearing request, Claimant also expressed concerns regarding fluctuations in her FAP budget. While the Department presented evidence that Claimant's monthly FAP benefits had decreased to \$207 effective March 1, 2012, based on her increased income, it did not present a FAP budget to show how that allotment was calculated. Furthermore, there was no evidence presented by the Department concerning changes in Claimant's monthly FAP benefits, if any, or the reasons for those changes. Thus, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy in calculating Claimant's FAP budget for January 2012 ongoing.

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 it concluded that Claimant was no longer eligible for LIF-MA on the basis of excess income.

did not act properly when it failed to satisfy its burden of showing that it acted in accordance with Department policy when it calculated Claimant's MA-Group 2 monthly deductible effective March 1, 2012 ongoing and her monthly FAP benefits effective January 2012 ongoing.

Accordingly, for the reasons stated on the record and above, the Department's decision is AFFIRMED REVERSED AFFIRMED IN PART with respect to its conclusion that Claimant was not eligible for LIF-MA coverage based on her income and REVERSED IN PART with respect to its failure to establish that it properly calculated Claimant's monthly MA deductible of \$480 effective March 1, 2012 ongoing and her monthly FAP benefits effective January 2012 ongoing.

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

1. Recalculate Claimant's MA budget effective March 1, 2012, ongoing in accordance with Department policy;
2. Recalculate Claimant's FAP budget for January 2012 ongoing in accordance with Department policy;
3. Provide Claimant with MA coverage she was eligible to receive but did not from March 1, 2012, ongoing;
4. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not from January 1, 2012, ongoing; and
5. Notify Claimant of its decision in writing in accordance with Department policy.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 30, 2012

Date Mailed: May 30, 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 at

Michigan Administrative Hearings

Re consideration/Rehearing Request

P. O. Box 30639

Lansing, Michigan 48909-07322

ACE/cl

cc:

