

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201247943  
Issue No.: 3002  
Case No.: [REDACTED]  
Hearing Date: May 23, 2012  
County: Oakland (03)

**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 23, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Assistance Payment Worker, and [REDACTED] Assistance Payment Supervisor.

**ISSUE**

Due to excess income, did the Department properly calculate Claimant's benefits for:

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

**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  applied for benefits for:  received benefits for:

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

2. On April 3, 2012, the Department approved Claimant's FAP application, finding that she was eligible for monthly FAP benefits of \$71 effective May 1, 2012, ongoing.
3. On April 12, 2012, Claimant or Claimant's AHR filed a hearing request, protesting the amount of benefits.

### **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 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, 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 (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, 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.

Additionally, in an April 3, 2012, Notice of Case Action, the Department notified Claimant that her FAP application was approved with monthly benefits of \$71 beginning May 1, 2012. Claimant requested a hearing because the Department's calculation resulted in a decrease in FAP benefits from those she had received in her prior FAP case. At the hearing, the Department testified that the decrease was due to a reduction in Claimant's medical expense deduction.

The Department produced Claimant's FAP budget for May 2012. The Claimant verified that she received monthly gross Retirement, Survivors and Disability Insurance (RSDI) benefits of \$1286, the amount identified on the FAP budget as Claimant's unearned income. From the gross income, the Department properly subtracted the \$146 standard deduction available to Claimant's FAP group size of one. RFT 255.

Because Claimant is a Senior/Disabled/Veteran (SDV) member, she was eligible for a deduction for medical expenses she incurred in excess of \$35. BEM 554. The Department testified, and Claimant confirmed, that Claimant was responsible for Medicare Part B premiums of \$99.90 and Part D premiums of \$11.80. Claimant informed her worker that she had ongoing prescription expenses and submitted a copy of costs she had incurred for her prescriptions from January 1, 2011 through April 9, 2012, totaling \$505.62. The Department testified that it divided Claimant's total prescription expenses by twelve (even though the summary covered a fifteen month period) to arrive at an average monthly prescription expense of \$42. Based on the sum of the foregoing medical expenses, and considering only expenses in excess of \$35, the Department properly included a medical expense deduction of \$119 in Claimant's FAP budget. BEM 554.

The Department also considered monthly housing expenses of \$550, which Claimant confirmed, and the standard heat and utility deduction of \$553 available to all FAP recipients in calculating Claimant's FAP budget. BEM 554; RFT 255. Based on the foregoing figures, a review of Claimant's FAP budget shows that the Department acted in accordance with Department policy when it concluded that Claimant was entitled to \$71 per month in FAP benefits effective May 1, 2012. BEM 550; BEM 556; RFT 260.

At the hearing, Claimant indicated that she had additional medical expenses which she had not previously presented to the Department. She was advised to submit copies of those expenses, which might affect future benefits, to the Department.


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  improperly calculated Claimant's benefits

for:  AMP  FIP  FAP  MA  SDA  CDC.

**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, for the reasons stated above and on the record, the Department's  AMP  FIP  FAP  MA  SDA  CDC decision is  AFFIRMED  REVERSED.

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

Date Signed: May 25, 2012

Date Mailed: May 25, 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  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

ACE/cl

cc:

