

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

IN THE MATTER OF:



Reg. No.: 2012-5531
Issue No.: 2000
Case No.: [REDACTED]
Hearing Date: May 2, 2012
County: Wayne (35)

ADMINISTRATIVE LAW JUDGE:

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 conducted from Detroit, Michigan on Wednesday, May 2, 2012. The Claimant appeared and testified. Participating on behalf of the Department of Human Services ("Department") was [REDACTED].

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 type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> Child Development and Care (CDC)? |
| <input checked="" 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 or about April 1, 2011, the Department erroneously activated MA coverage retroactive to February 2011.

2. In August 2011, the Department reviewed the Claimant's continued eligibility for food assistance ("FAP") benefits.
3. During the FAP redetermination, the Department discovered that the MA benefits were improperly activated.
4. The Medical Review Team ("MRT") never issued a determination regarding disability.
5. On August 25, 2011, the Department sent a Notice of Case Action to the Claimant informing him that the MA benefits would terminate effective October 1, 2011 because the Claimant was not disabled.
6. On September 14, 2011, the Department received the Claimant's timely written request for hearing.

CONCLUSIONS OF LAW

Department policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Tables ("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 1999 AC, Rule 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children program effective October 1, 1996.

The Food Assistance Program ("FAP"), formerly known as the Food Stamp 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. The Department, formerly known as the Family Independence Agency, administers FAP pursuant to MCL 400.10, *et seq.*, and Michigan Administrative Code, Rules 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 Mich Admin Code, Rules 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 Mich Admin Code, Rules 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 the Mich Admin Code, Rules 400.7001 through Rule 400.7049. Department policies are found in the State Emergency Relief Manual (“ERM”).

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, the Department erroneously activated MA coverage for the Claimant without a determination of disability from the Medical Review Team, the State Hearing Review Team, or as a result of the hearing process. During the Claimant’s FAP redetermination in August 2011, the Department discovered the error and pended the MA for closure effective October 1, 2011. The Department properly notified the Claimant of the termination of MA benefits on August 25, 2011.

During the hearing, the Department agreed to register and initiate processing of an October 1, 2011 application (date of MA closure) which will necessarily require a determination of whether or not the Claimant is disabled. The Department further agreed to notify the Claimant of the determination in accordance with policy. As a result of this accord, there is no further issue that needs to be adjudicated.

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. As agreed, register and initiate processing of an October 1, 2011 MA-P application in accordance with department policy.
2. The Department shall notify the Claimant of the determination in accordance with department policy.

3. The Department shall supplement for lost benefits (if any) that the Claimant was entitled to receive if otherwise eligible and qualified in accordance with department policy.

Colleen M. Mamelka

Colleen M. Mamelka
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 9, 2012

Date Mailed: May 9, 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.

CMM/cl

cc: 