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

IN THE MATTER OF:



Reg. No: 201258240 Issue No: 2013, 3002 Case No: Hearing Date:July 17, 2012 Washtenaw County DHS

ADMINISTRATIVE LAW JUDGE: Christopher S. Saunders

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on July 17, 2012. The claimant personally appeared and provided testimony.

ISSUES

Whether the department properly reduced the claimant's Food Assistance Program (FAP) benefits, closed the claimant's Medical Assistance (MA) case, and instituted a deductible for the claimant's MA case?

FINDINGS OF FACT

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

- 1. The claimant submitted an application for assistance to the department in April 2012.
- 2. Based on the application submitted by the claimant, the department ran a new budget for the claimant regarding her FAP and MA benefits.
- 3. Based on the new budget, the department sent the claimant a notice of case action on May 23, 2012, stating that her FAP benefits were being reduced and that her MA case was being closed as a deductible was now being instituted.
- 4. The claimant filed a hearing request on June 4, 2012, protesting the reduction of her FAP benefits and the closure of her MA case.

CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1)

Clients have the right to contest a department decision affective eligibility for benefit levels whenever it is believed that the decision is incorrect. BAM 600. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

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 of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

The Medical Assistance (MA) program was established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The department administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. Medicaid is also known as Medical Assistance (MA).

In the case at hand, the department representative testified that the department was willing to send out a verification checklist to the claimant and allow her to submit any additional necessary information regarding employment and housing. The department representative further testified that the department would then reprocess the claimant's April 2012 application and, if applicable, issue any past due benefits. The claimant testified that this would be an appropriate course of action for the department to take.

MCL 24.278(2) provides a disposition may be made of a contested case by stipulation or agreed settlement. In the case at hand, the department representative testified that the department was willing to send the claimant a verification checklist and allow the claimant to submit any necessary additional verification as requested in the checklist. After that information is received, the department will reprocess the claimant's April 2012 application and, if applicable, issue any past due benefits due and owing. The claimant agreed with this course of action. Therefore, the parties agree as to what the proper course of action to be taken in this matter should be. Because both parties agree as to what action should be taken to resolve the issue, this action may be disposed of by stipulation.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department did not properly reduce the claimant's FAP benefits and did not properly close the claimant's MA case an institute a deductible.

Accordingly, the department's actions are **REVERSED**.

It is HEREBY ORDERED that the department shall send the claimant a verification checklist to allow the claimant to timely submit any additional information necessary to process the claimant's application. After said information is received, the department shall reprocess the claimant's April 2012 application and, if the claimant is found to be otherwise eligible, issue benefits in accordance with policy. If applicable, the department shall also issue any past due benefits due and owing that the claimant is otherwise eligible to receive.

<u>/s/</u>

Christopher S. Saunders Administrative Law Judge for Maura D. Corrigan, Director Department of Human Services

Date Signed: <u>July 20, 2012</u> Date Mailed: <u>July 20, 2012</u>

NOTICE: Administrative Hearings 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. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 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.

CSS/cr

