

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

IN THE MATTER OF:



Reg. No.: 201266997
Issue No.: 2027; 3002; 4070
Case No.: [REDACTED]
Hearing Date: August 29, 2012
County: Wayne (76)

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 August 29, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist, and [REDACTED], Eligibility Specialist.

ISSUE

Due to excess income, did the Department properly deny the Claimant's application close Claimant's case reduce 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)? |

Did the Department properly provide Medical Assistance (MA) coverage to Claimant?

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 August 1, 2012, the Department denied Claimant's application closed Claimant's case reduced Claimant's benefits due to excess income.
3. On July 19, 2012, the Department sent Claimant Claimant's Authorized Representative (AR) notice of the denial. closure. reduction.
4. On July 25, 2012, Claimant or Claimant's AHR filed a hearing request, protesting the reduction of FAP benefits and requesting "Medicaid card to be restored."

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), the Department of Human Services Bridges Eligibility Manual (BEM), and the Department of Human Services 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 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 (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 Mich Admin Code, 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.

FAP Benefits

The Department reduced Claimant's monthly FAP benefits to \$111 effective August 1, 2012. At the hearing, the Department presented a FAP budget for August 1, 2012, ongoing showing its calculation of Claimant's FAP benefits. The FAP budget indicated that Claimant had unearned income of \$712, which the Department testified consisted of (i) \$698 in gross monthly Supplemental Security Income (SSI) benefits and (ii) \$14 in monthly State SSI Payments (SSP) benefits (based on a quarterly \$42 SSP payment). However, the Single-Online Query (SOLQ) report showing Claimant's federal benefits showed that he was only receiving \$675 in monthly SSI benefits. In fact, in its hearing summary, the Department indicated that Claimant received \$675 in monthly SSI benefits, contrary to the amount it used in the FAP budget. Furthermore, Claimant testified that he had last received an SSP payment in March 2012 and the Department's evidence confirmed Claimant's testimony. The Department was unable to confirm that Claimant would receive SSP payments for August 2012, ongoing. Because Claimant's monthly SSI income was less than that used by the Department in calculating his FAP budget and the Department could not verify his SSP benefits, the Department did not act in accordance with Department policy when it calculated Claimant's monthly FAP benefits for August 1, 2012, ongoing.

SSP Benefits

The Department issues SSP to SSI recipients for only those months the recipient received a regular monthly federal benefit. BEM 660 (April 1, 2012), p 1. Payments are issued quarterly in the last month of each quarter. BEM 660, p 1.

In this case, in connection with the discussion of Claimant's FAP budget, the Department testified that Claimant was entitled to quarterly SSP benefits based on his receipt of SSI benefits, but he was last issued SSP benefits in March 2012. Claimant's SOLQ showed that Claimant regularly received SSI benefits beginning August 1, 2012. The Department was unable to establish that Claimant had, or would receive, SSP benefits he was eligible to receive as an SSI recipient. Thus, the Department did not satisfy its burden of showing that it acted in accordance with Department policy in issuing SSP benefits to Claimant that he was eligible to receive.

MA Coverage

At the hearing, Claimant testified that he believed he had MA coverage but was concerned because he had not received an MA card evidencing his coverage. Although the Department indicated in its hearing summary that Claimant's MA case had closed September 2011 and that he had not reapplied for MA coverage in his June 29, 2012 application for FAP benefits, the Department further investigated Claimant's status

during the course of the hearing and produced documentation showing that Claimant was eligible for full MA coverage as an SSI recipient beginning June 1, 2012, ongoing, and that this coverage was ongoing from that date. Claimant testified that this information was consistent with his understanding. Because MA cards are not issued in the local Department office, the client must call the beneficiary helpline at 1-800-642-3195 to verify his address and to request a card if he does not receive one in the mail. BAM 501 (August 1, 2008), p 1. Thus, the Department acted in accordance with Department policy when it agreed at the hearing to give Claimant the 1-800 number he should contact to receive an MA card.

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 improperly calculated Claimant's FAP benefits and failed to issue his SSP payments and properly advised him regarding his MA card.

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's decision is AFFIRMED REVERSED AFFIRMED IN PART with respect to Claimant's MA issue AND REVERSED IN PART with respect to calculation of Claimant's monthly FAP benefits and issuance of his SSP benefits.

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 FAP benefits effective August 1, 2012, ongoing in accordance with Department policy and consistent with this hearing decision;
2. Issue supplements to Claimant for any FAP benefits he was eligible to receive but did not from August 1, 2012, ongoing;
3. Process, in accordance with Department policy, Claimant's eligibility for SSP benefits from April 1, 2012, ongoing;
4. Issue supplements for SSP benefits Claimant was eligible to receive but did not from April 1, 2012, ongoing; and
5. Notify Claimant in writing of its decision in accordance with Department policy.



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

Date Signed: September 5, 2012

Date Mailed: September 5, 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/hw

cc:

