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

### IN THE MATTER OF:



Reg. No.:
2012725

Issue No.:
3002, 1015, 2013

Case No.:
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# ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

## 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 held on October 31, 2011, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included

#### ISSUE

Whether the Department properly:

denied Claimant's application for benefits

Changed Claimant's Medical Assistance case from LIF to TMA

reduced Claimant's benefits for FIP and FAP

# 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 September 7, 2011 the Department changed the Claimant's Medical Assistance from Low Income Family (LIF) to Transitional Medical (TMA) and on October 1, 2011 the Department reduced the Claimant's FIP benefits and on September 1, 2011 the Department reduced the Claimant's FAP benefits.

Changed Claimant's case for medical benefits

reduced Claimant's benefits

under the following program(s):

 $\square$  FIP  $\square$  FAP  $\square$  MA  $\square$  AMP  $\square$  SDA  $\square$  CDC  $\square$  SER.

2. On 9/7/11 (MA) 9/24/11 (FAP) and on 9/24/11 (FIP), the Department sent notices to Claimant (or Claimant's Authorized Hearing Representative) of the:

denial
Change of Medical Assistance from LIF to TMA
$\boxtimes$ reduction of FIP 10/1/11 and FAP 9/1/11.

3. On 9/21/11, Claimant filed a request for hearing concerning the Department's action.

## CONCLUSIONS OF LAW

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Reference Tables Manual (RFT), and the State Emergency Relief Manual (ERM).

∑ 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 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, 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.

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 1999 AC, Rule 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, Claimant requested a hearing to dispute the Department's action. Soon after commencement of the hearing, the parties testified that they had reached a settlement concerning the disputed action. Consequently, the Department agreed to do the following: to recompute the Claimaint's food assistance benefits as of 10/1/11 based upon the reciept of the verification of termination employment from Claimant's employer and reciept of the last pay stub received by the Claimant; to recompute the Claimant's FIP benefits as of 10/1/11 based upon the receipt of the Claimant's employer and receipt of the Claimant's medical assistance eligibility for LIF, as of 10/1/11 based upon receipt of the verification of loss of employment from the Claimant's medical assistance eligibility for LIF, as of 10/1/11 based upon receipt of a final pay stub from the Claimant .

As a result of this settlement, Claimant no longer wishes to proceed with the hearing. As such, it is unnecessary for this Administrative Law Judge to render a decision regarding the facts and issues in this case.

#### 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. The Department shall initiate recomputation of the Claimaint's FAP benefits as of 10/1/11 upon reciept of verification of loss of employment from the Claimant's employer and a final pay stub from the Claimant .
- 2. The Department shall issue a supplement to the Claimant for any FAP benefits she is otherwise eligible for and entitled to receive in accordance with Department policy.
- 3. The Department shall initiate recomputation of the Claimant's FIP benefits as of 10/1/11 upon receipt of verification of loss of employment from the Claimant's employer and a final pay stub from the Claimant.
- 4. The Department shall issue a supplement to the Claimant for any FIP benefits she is otherwise eligible for and entitled to receive in accordance with Department policy.
- 5. The Department shall redetermine the Claimant's medical assistance eligibility for LIF, as of 10/1/11, upon receipt of the verification of loss of employment from the Claimant's employer and a final pay stub from the Claimant.

Lynn M. Ferris

Administrative Law Judge for Maura Corrigan, Director Department of Human Services

Date Signed: 11/1/11

Date Mailed: 11/1/11

**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 <u>MAY</u> 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 to: Michigan Administrative hearings Reconsideration/Rehearing Request P. O. Box 30639 Lansing, Michigan 48909-07322

LMF / hw

cc: A. Estes