

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

IN THE MATTER OF:



Reg. No.: 2012-16001
Issue Nos.: 1000, 2000, 3002
Case No.: [REDACTED]
Hearing Date: February 2, 2012
County: Macomb (50-12)

ADMINISTRATIVE LAW JUDGE: Jan Leventer

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 February 2, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED]

ISSUE

Did the Department properly close Claimant's Family Independence Program (FIP) case, reduce Claimant's Food Assistance Program (FAP) benefits, and imposed a Patient Pay Amount (PPA or spend-down) requirement on Claimant's Medical Assistance (MA) benefits, based on the fact that his income level was higher than the eligibility income limit?

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 received benefits for:

- | | |
|------------------------------------------------------------------------|-------------------------------------------------------------|
| <input checked="" 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 checked="" type="checkbox"/> Medical Assistance (MA). | <input type="checkbox"/> Child Development and Care (CDC). |

2. On October 15, 2011, the Department closed Claimant's FIP case, reduced Claimant's FAP benefits, and imposed a Patient Pay Amount (PPA or spend-down) requirement on Claimant's MA benefits, based on the fact that his income level was higher than the eligibility income limit.
3. On October 3, 2011, the Department sent Claimant notice of the closure of his FIP case, the reduction of his FAP benefits, and the PPA requirement for his MA benefits.
4. On November 14, 2011, Claimant filed a hearing request, protesting the closure of his FIP case, the reduction of his FAP benefits, and the PPA requirement for his MA 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 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.

Additionally, at the hearing, Claimant's FAP amount was reviewed and it is found and determined that based on Claimant's Retirement, Survivors and Disability Insurance (RSDI) income, the Department's reduction of his FAP allotment was correct. Also at the hearing, the Department agreed to review the income calculations for Claimant's eligibility for MA benefits as a settlement and resolution of his complaint.

With regard to the third issue at the hearing, Claimant's FIP benefits closure, Claimant requested that the Administrative Law Judge dismiss his complaint regarding this issue. Having reviewed the evidence in this case in its entirety, it is found and determined that Claimant's request is appropriate and it shall be granted.

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 reduced Claimant's FAP benefits. The Department's action regarding FAP benefits is AFFIRMED.

Second, regarding MA benefits, the Department in this case agreed to review Claimant's eligibility for MA benefits to see if the PPA is correct. This portion of Claimant's complaint is settled and resolved based on the Department's agreement to take action.

Third, it is found and determined that based on Claimant's request, Claimant's FIP complaint is properly DISMISSED from this action.

In conclusion, the Administrative Law Judge orders the following:

- FIP: DISMISSED.
- FAP: AFFIRMED.
- MA: SETTLED. DHS agrees to recalculate Claimant's PPA requirement.

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 is AFFIRMED with regard to Claimant's FAP benefits. It is further ordered that, at Claimant's request, his complaint regarding FIP benefits is hereby DISMISSED.

WITH REGARD TO CLAIMANT'S MA BENEFITS, THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate procedures to recalculate Claimant's MA benefits, including the Patient Pay Amount requirement.
2. Initiate procedures to provide retroactive and ongoing MA benefits to Claimant at the benefit and PPA requirement levels appropriate for his income level.
3. All steps shall be taken in accordance with Department policy and procedure.



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

Date Signed: February 6, 2012

Date Mailed: February 6, 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.

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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

JL/pf

cc:

