

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2012-24456  
Issue No.: 3021  
Case No.: [REDACTED]  
Hearing Date: February 15, 2012  
County: Macomb (50-20)

**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 February 15, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant; [REDACTED], Claimant's daughter and Authorized Hearing Representative (AHR); and [REDACTED], Claimant's daughter. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

Due to excess assets, did the Department properly  deny the Claimant's application  close Claimant's case 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"/> Medical Assistance (MA)?        |
| <input type="checkbox"/> State Disability Assistance (SDA)?        |  |

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, including the testimony at the hearing, finds as material fact:

1. Claimant  applied for benefits  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"/> Medical Assistance (MA)?        |
| <input type="checkbox"/> State Disability Assistance (SDA)?        |  |

2. Due to excess assets, on October 1, 2011, the Department  
 denied Claimant's application.  closed Claimant's case.
3. On September 20, 2011, the Department sent  
 Claimant  Claimant's Authorized Representative (AR)  
notice of the  denial.  closure.
4. On December 8, 2011, Claimant filed a hearing request, protesting the  
 denial of the application.  closure of the case.

### **CONCLUSIONS OF LAW**

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the 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 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 (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 2000 AACS, Rule 400.3151 through Rule 400.3180.

Additionally, assets must be considered in determining eligibility for FAP. BEM 400; BEM 213. The FAP asset limit is \$5,000. BEM 400. Cash, including bank accounts and savings, are assets. BEM 400.

In this case, in assessing the value of Claimant's assets in September 2011, the Department relied on Claimant's January 4, 2011, application in which Claimant stated that she had a savings account with \$5,500 and a checking account with \$1,912. Because the combined value of the accounts exceeded the \$5,000 FAP asset limit, the Department sent Claimant a Notice of Case Action on September 20, 2011, notifying her of the closure of her FAP case effective October 1, 2011.

When determining the value of a checking or savings account for FAP asset eligibility, the Department is required to consider the lowest balance during the month the determination is made. BEM 400. In order to verify the value of a bank account, the Department must consider the monthly statement or contact the financial institution by telephone. BEM 400. Asset eligibility exists when the group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400.

In this case, the Department did not consider the lowest balance of Claimant's checking and savings accounts during September 2011, the month it determined Claimant's FAP asset eligibility. Thus, the Department did not act in accordance with Department policy when it closed Claimant's FAP case effective October 1, 2011, for exceeding the FAP asset limit.

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, due to excess assets, the Department

properly denied Claimant's application     improperly denied Claimant's application  
 properly closed Claimant's case             improperly closed Claimant's case

for:    AMP    FIP    FAP    MA    SDA.

### **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  
 did act properly.     did not act properly.

Accordingly, for the reasons stated above and on the record, the Department's  AMP  
 FIP  FAP  MA  SDA decision is  AFFIRMED  REVERSED.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Claimant's FAP case, effective October 1, 2011; and

2. Issue supplements for FAP benefits Claimant was otherwise eligible to receive but did not from October 1, 2011, ongoing.



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

Date Signed: February 22, 2012

Date Mailed: February 22, 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.

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/pf

cc:

