

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201236654
Issue No: 2001
Case No: [REDACTED]
Hearing Date: July 19, 2012
Macomb 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 19, 2012. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly close the claimant's Adult Medical Program (AMP) case due to excess income?

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 was a recipient of AMP benefits.
2. A redetermination for the claimant was completed in January, 2012.
3. At redetermination, the claimant reported a temporary income increase.
4. The department completed a new budget for the claimant's AMP benefits and determined that the claimant's income exceeded the allowable income limit.
5. The claimant was sent a notice of case action on January 31, 2012, stating that her AMP benefits would be closing effective March 1, 2012.
6. The claimant submitted a hearing request on February 12, 2012, protesting the closure of her AMP 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 affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Bridges Reference Manual (BRM).

Department policy states Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of the necessary forms. Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. BAM, Item 105, p. 5. Clients must take actions within their ability to obtain verifications. DHS staff must assist when necessary. See BAM 130 and BEM 702. BAM, Item 105, p. 8.

The department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505.

For the AMP program, income eligibility exists when the program group's net income does not exceed the program group's AMP income limit. BEM 640. The group's net income is determined after subtracting deductions from the group's allowable gross income. BEM 640. In determining future income, policy states that the department is to use amounts that will be, or are likely to be received in a future month. BEM 640. Additionally, policy states that when income from a source changes from month to month, the department is to estimate the amount that will be received in a future month. BEM 640.

In the case at hand, the claimant testified that the department did not use an amount that properly reflected her monthly earned income. The claimant testified that she stated on her redetermination that she had a temporary increase in her earned income for the month of December. She stated that she indentified this amount as temporary, which the department confirmed. Although the department did not provide a copy of the budget used for the claimant, said budget was discussed and examined on the record. The department worker also testified that the department did not send out a verification

checklist to verify the claimant's earned income. Based on the testimony and evidence introduced at the hearing, the Administrative Law Judge determines that the department did not use income amounts that were likely to be received in a future month as per policy. Additionally, as there was no budget provided, the Administrative Law Judge cannot say with absolute certainty that the budget was calculated properly (using the appropriate income and deductions) in accordance with policy. Therefore, the Administrative Law Judge determines that the department did not properly close the claimant's AMP case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department improperly closed the claimant's AMP case due to excess income.

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

It is HEREBY ORDERED that the department shall initiate a redetermination of the claimant's eligibility for AMP benefits as of the date of negative action (March 1, 2012). If the claimant is found to be otherwise eligible, the department shall issue benefits in accordance with policy and, if applicable, issue any past due benefits that may be due and owing.

/s/_____

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

Date Signed: August 13, 2012

Date Mailed: August 14, 2012

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.

201236654/CSS

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

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