

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

**IN THE MATTER OF:**



Reg. No.: 201243727  
Issue No.: 2000; 3000  
Case No.: [REDACTED]  
Hearing Date: May 2, 2012  
County: Wayne (57)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 May 2, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Family Independence Manager.

**ISSUE**

Whether the Department properly reduced Claimant's Food Assistance Program (FAP) benefits and provided Medical Assistance (MA) coverage with a \$477 deductible effective April 1, 2012.

**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 April 1, 2012, the Department reduced Claimant's FAP benefits and provided Claimant with MA coverage with a \$477 deductible.
2. On March 20, 2012, the Department sent notice to Claimant (or Claimant's Authorized Hearing Representative) of these changes.
3. On March 26, 2012, 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: (i) remove the \$736 monthly child support payments that were budgeted into Claimant's unearned income in her MA and FAP budgets effective March 1, 2012, ongoing; (ii) remove additional child support payments that were budgeted into Claimant's unearned income in her MA and FAP budgets in amounts and for the months Claimant is able to verify, in accordance with Department policy, that she did not receive such payments; (iii) recalculate Claimant's FAP and MA budgets based on the adjusted unearned income amounts; (iv) issue supplements for any FAP and/or MA benefits Claimant was eligible to receive but did not from the effective dates of any changes in her FAP and MA budgets; and (v) notify Claimant in writing of its decision in accordance with Department policy.

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. Remove the \$736 monthly child support payments that were budgeted into Claimant's unearned income in her MA and FAP budgets effective March 1, 2012, ongoing;
2. Remove additional child support payments that were budgeted into Claimant's unearned income in her MA and FAP budgets in amounts and for the months Claimant is able to verify, in accordance with Department policy, that she did not receive such payments;
3. Recalculate Claimant's FAP and MA budgets based on the adjusted unearned income amounts;
4. Issue supplements for any FAP and/or MA benefits Claimant was eligible to receive but did not from the effective dates of any changes in her FAP and MA budgets; 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: May 8, 2012

Date Mailed: May 8, 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.

ACE/cl

cc:

