

STATE OF MICHIGAN

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

IN THE MATTER OF:



Reg. No.: 2012 45269
Issue No.: 3019
Case No.: [REDACTED]
Hearing Date: May 9, 2012
County: Macomb County DHS (20)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 May 9, 2012, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], ES and [REDACTED], FIM.

ISSUE

Did the Department properly close the Claimant's TMA Medicaid due to loss of employment?

Did the Department properly process the notice of the Claimant stopping employment?

FINDINGS OF FACT

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

1. At the hearing it was confirmed by the Department that the Claimant is currently active for LIF medical assistance and that she has had no loss in medical assistance thus no issue remains to be decided by this Administrative Law Judge with regard to the Claimant's medical assistance. Exhibit 2.
2. The Department sent verification to the Claimant requesting that she verify loss of employment. The due date for receipt of the verification was April 2, 2012. Exhibit 1.

3. The Claimant provided the verification by the due date, and it was received by the Department.
4. The Department processed the change (loss of employment) with regard to the FAP assistance effective May 1, 2012 and Claimant's FAP benefits were increased.

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 Mich Admin Code, R 400.3101 through R 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 Mich Admin Code, R 400.3001 through R 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, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

Additionally, The Claimant reported a change in employment due to loss of employment to the Department on March 16, 2012. The Department requested verification of loss of employment on March 22, 2012. The Claimant provided proof of loss of employment to the Department on April 2, 2012 which was the date the verifications were due. The Department then processed the change and Claimant's food assistance was increased to \$367, effective May 1, 2012. Exhibit 2. At the hearing the policy in BAM 220 and BEM 505 were not specifically consulted until after the hearing by the undersigned. A subsequent review of those provisions as regards FAP benefit increases effective date and income decreases were consulted and it was determined the FAP benefit increase should have been effective April 1, 2012.

BEM 505, page 8 and 9 provides : Income decreases that result in a benefits increase must be effective no later than the first allotment issued 10 days after the date the change was reported, provided necessary verification was returned by the due date.

BAM 220, pages 5 and 6 provides: Benefit increases: Changes which result in an increase in the household's benefits must be effective no later than the first allotment issued 10 days after the change was reported, provided any necessary verification was returned by the due date. A supplement issuance may be necessary in some cases.

In this case the change was reported March 16, 2012 and the verifications due April 2, 2012 were returned by the due date. The Claimant's household's FAP benefits increase were to be effective no later than the first allotment issued ten days after the change was reported. Ten days after the change is March 26, 2012 and the next allotment issuance for FAP allotment would have been in April 2012. The first allotment issued 10 days after the change date May 26, 2012 would be in April 2012. Based on the foregoing determination the Department should have made the Claimant's FAP benefit increase effective for April 2012 and its failure to do so was not in accordance with Department policy. BEM 505 and BAM 220.

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 when . did not act properly when it increased the FAP benefits effective May 1, 2012 instead of April 1, 2012.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated on the record and as set for in this Hearing Decision above.

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

1. The Department shall issue a supplement to the Claimant for FAP benefits effective April 1, 2012 for FAP benefits the Claimant was otherwise entitled to receive due to the reported reduction in income due to loss of employment reported as a change by the Claimant on March 16, 2012.
2. The Claimant's hearing request regarding the stopping of her medical assistance is **DISMISSED** as no issue remains to be decided as the Claimant's medical assistance is currently effective.



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 15, 2012

Date Mailed: May 15, 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.

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

LMF/hw

cc: 

