

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-59626
Issue No.: 3002; 4013
Case No.: [REDACTED]
Hearing Date: August 23, 2012
County: Gogebic

ADMINISTRATIVE LAW JUDGE: Susan C. Burke

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 hearing was held on August 23, 2012 in Bessemer, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED] Acting Director, Gogebic County, [REDACTED], ES, and [REDACTED] ES.

ISSUE

Due to excess income, did the Department properly deny the Claimant's application for State Disability Assistance (SDA)?

Did the Department properly calculate Claimant's Food Assistance Program (FAP) benefits amount?

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 for SDA and received benefits for FAP.
2. On March 22, 2012, the Department denied Claimant's application for SDA due to excess income and calculated Claimant's FAP benefits to be \$125.00 per month. (Exhibit 1)

3. On March 22, 2012, the Department sent Claimant notice of the SDA denial and FAP calculation. (Exhibit 1)
4. On May 22, 2012, Claimant filed a hearing request, protesting the action of the Department.

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 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.
- 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.

SDA

BEM 515, p. 1, instructs:

FIP, RAPC and SDA Only

The certified group must be in financial need to receive benefits. Need is determined to exist when budgetable income is less than the payment standard established by the department.

RFT 225 sets the payment standard at \$200.00 per month for an individual. Claimant admits that his income exceeded \$200.00 per month at the time of the application. In addition, Claimant did not dispute the figures used in the Bridges FIP/SDA Income Test (Exhibit 3). Therefore, the Department was correct in its decision to deny Claimant's SDA application.

FAP

BEM 550 instructs that eighty percent of the earned income of a household be added to unearned income to determine gross income. Adjusted gross income in a household of one is determined by subtracting the standard amount of \$146.00 (RFT 255). Monthly net income for FAP purposes is then determined by subtracting allowable expenses, such as a shelter deduction and medical expenses, if any. BEM 554.

In the present case, Claimant did not dispute the figures used by the Department to calculate his benefits for March 14, 2012 and ongoing, except the figure used by the Department with respect to medical expenses. (Exhibit 1)

Claimant stated that he incurred more medical expenses than those shown by the Department (Exhibit 12). Claimant presented medical expenses (Exhibits A, B, and C) but Claimant was not convincing in his testimony that he presented those medical expenses in a timely manner so the Department could include them in its budget for March 14, 2012. Claimant testified that he was prevented from entering the Department's premises to submit the medical information, but he did not deny that he had access to and used a fax machine to submit medical information to the Department.

In addition, Claimant was not persuasive as to the amount of medical expense he submitted at the hearing, as he acknowledged that he was unsure as to whether he was reimbursed from other entities for some of the medical expenses he presented at the hearing.

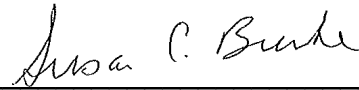
After careful review of the budget presented by the Department, the documentation submitted by the parties and the testimony at the hearing, this Administrative Law Judge concludes that the Department was correct in its calculation of Claimant's FAP benefits. Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department

properly denied Claimant's SD A application and properly calculated Claimant's FAP benefits.

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



Susan C. Burke
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: August 30, 2012

Date Mailed: August 30, 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

SCB/cl

cc:

[REDACTED]
Gogebic County DHS

S.

[REDACTED]
Burke