

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201272919  
Issue No.: 2026; 3002  
Case No.: [REDACTED]  
Hearing Date: October 24, 2012  
County: Wayne (19)

**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 October 24, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED], Claimant's mother and Authorized Hearing Representative. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist, and [REDACTED], Assistance Payment Supervisor.

**ISSUE**

Did the Department properly provide Claimant with Medical Assistance (MA) coverage with a monthly deductible?

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

**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 was an ongoing recipient of FAP and MA benefits.
2. In connection with a redetermination, the Department recalculated Claimant's FAP and MA budgets.

3. On August 15, 2012, the Department sent Claimant a Notice of Case Action advising her that her FAP benefits would be reduced from \$367 to \$105 and she was eligible for MA coverage with a deductible.
4. On August 24, 2012, Claimant filed a hearing request disputing the Department's actions.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services 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 Mich Admin Code, 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, in connection with Claimant's redetermination, the Department decreased Claimant's FAP benefits and converted her MA case from full-coverage MA to an MA case with a monthly deductible.

At the hearing, the Department presented the Single Online Query (SOLQ) showing Claimant's and her son's Retirement, Survivors and Disability Insurance (RSDI) benefits and the consolidated child support inquiry to establish the basis for its calculation of Claimant's gross monthly unearned income of \$1461. Claimant verified that the SOLQs were accurate and that the child support inquiry showing no child support received in June 2012 and August 2012 and \$50 received in July 2012 accurately reflected a pattern of irregular payments she received. Based on Claimant's RSDI, her son's RSDI, and the average of the three months' child support Claimant received in June, July and August 2012, the Department properly calculated Claimant's group's monthly gross unearned income. See BEM 505 (October 1, 2010), p 3; BEM 503 (July 1, 2012), p 21.

However, the Department did not present a FAP net income budget showing the calculation of Claimant's monthly FAP benefits or a Notice of Case Action issued in connection with the decreased FAP benefits showing the figures the Department used to calculate Claimant's monthly FAP benefits. The Department also failed to present an MA budget showing the figures used to calculate Claimant's monthly deductible. In the absence of such evidence, the Department has failed to satisfy its burden of showing that it acted in accordance with Department policy when it reduced Claimant's FAP benefits and concluded that Claimant was no longer eligible for full MA coverage and calculated the amount of the monthly deductible. Furthermore, the Department was unable to clearly testify regarding when the changes to Claimant's MA and FAP cases were effective.

### **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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it calculated Claimant's monthly FAP benefits and provided Claimant with MA coverage with a monthly deductible.

Accordingly, the Department's decision is  AFFIRMED  REVERSED for the reasons stated on the record and above.

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

1. Begin reprocessing, in accordance with Department policy, Claimant's redetermination;
2. Recalculate Claimant's MA and FAP budgets as of the effective date of the redetermination in accordance with Department policy and consistent with this Hearing Decision;
3. Issue supplements for any FAP benefits Claimant was eligible to receive, but did not, from the effective date of the redetermination;
4. Provide Claimant with MA coverage she is eligible to receive from the effective date of the redetermination; 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: 10/29/2012

Date Mailed: 10/29/2012

**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

ACE/hw

cc:

