

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2012-77328  
Issue Nos.: 2000, 2017, 3000  
Case No.: [REDACTED]  
Hearing Date: October 31, 2012  
County: Oakland (02)

**ADMINISTRATIVE LAW JUDGE:** Jan Leventer

**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 31, 2012, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payments Supervisor.

**ISSUES**

1. Did the Department properly  deny Claimant's application  close Claimant's case for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?                      | <input type="checkbox"/> Adult Medical Assistance (AMP)?    |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)?               | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Medical Assistance (MA) costsharing program? |   |
| <input type="checkbox"/> Child Development and Care (CDC)?                       |   |

2. Did the Department properly require a MA Patient Pay Amount (deductible) of \$1,364 for September, 2012?

**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  received benefits for:
  - Family Independence Program (FIP).  Adult Medical Assistance (AMP).
  - Food Assistance Program (FAP).  State Disability Assistance (SDA).
  - Medical Assistance (MA) insurance coverage and the MA cost-sharing program.
  - Child Development and Care (CDC).
  
2. On September 5, 2012, the Department
  - denied Claimant's FAP and MA costsharing application.
  - closed Claimant's case due to excess income.
  
3. On or about September 5, 2012, the Department approved Claimant for MA benefits with a Patient Pay Amount (PPA or deductible) amount of \$1,364.
  
4. On September 5, 2012, the Department sent
  - Claimant  Claimant's Authorized Representative (AR) notice of the
  - denial of FAP and MA costsharing.
  - MA approval with PPA requirement.
  
5. On September 10, 2012, Claimant filed a hearing request, protesting the
  - denial of the FAP and MA costsharing application.
  - approval of MA with PPA requirement

### **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 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.*

Additionally, with regard to Claimant's income, for purposes of this examination it is found and determined to be \$2,278 per month. There are three issues in this case, and each of them will be considered separately.

Considering first the issue of Claimant's eligibility for MA costsharing benefits, Reference Table 242, "AD-Care and Medicare Savings Program Income Limits," is the Department's policy for costsharing of Medicare premiums. Department of Human Services Reference Tables (RFT) 242 (2012), Table 3. The income limit for a family of two persons is \$1,703. As Claimant's income is \$2,278, it is found and determined that Claimant's income is higher than the income limit, and the Department correctly followed its policy in denying MA costsharing to Claimant.

The second issue to be considered will be the MA deductible requirement of \$1,364, imposed on September 5, 2012. The law provides that disposition may be made of a contested case by stipulation or agreed settlement. MCL 24.278(2). Soon after commencement of the hearing, the parties testified that they reached a settlement concerning the disputed action. Consequently, the Department agreed to do the following: review and recalculate the Claimant's PPA of \$1,364 for the month of September, 2012, and make appropriate adjustments. As a result of this settlement, Claimant no longer wishes to dispute this issue at the hearing. As such, it is unnecessary for this Administrative Law Judge to render a decision on this issue.

The third and final issue in the case is the allotment of FAP benefits of \$0.00 (zero) for the month of August, 2012. The law provides that disposition may be made of a contested case by stipulation or agreed settlement. MCL 24.278(2). Soon after commencement of the hearing, the parties testified that they reached a settlement concerning the disputed action. Consequently, the Department agreed to do the following: review and recalculate the Claimant's FAP for the month of August, 2012, and make appropriate adjustments. As a result of this settlement, Claimant no longer wishes to proceed with the hearing on this issue. As such, it is unnecessary for this Administrative Law Judge to render a decision on this issue.

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 application for MA costsharing benefits.  improperly denied Claimant's application  
 properly closed Claimant's case  improperly closed Claimant's case

for:  AMP  FIP  FAP  MA  SDA  CDC.

Second, with regard to the MA Patient Pay Amount deductible requirement for September, 2012, the Department agreed to review and recalculate this amount and make appropriate adjustments.

Third, with regard to the FAP allotment for August, 2012, of \$0.00 (zero), the Department agreed to review and recalculate this amount and make appropriate adjustments.

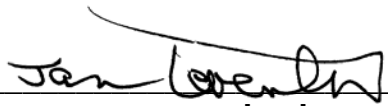
**DECISION AND ORDER**

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 in denying MA costsharing benefits to Claimant.  did not act properly.

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

**THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER, WITH REGARD TO MA-PPA AND FAP:**

1. Initiate procedures to review and recalculate Claimant's PPA for the month of September, 2012.
2. Initiate procedures to adjust Claimant's PPA for September, 2012, taking all income and expenses into consideration.
3. Initiate procedures to review and recalculate Claimant's FAP for the month of August, 2012.
4. Initiate procedures to provide retroactive and ongoing FAP benefits to Claimant at the benefit level or levels to which he is entitled.
5. All steps shall be taken in accordance with Department policy and procedure.

  
**Jan Leventer**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: October 31, 2012

Date Mailed: November 1, 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

JL/tm

cc:

