

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

IN THE MATTER OF:



Reg. No.: 201312761
Issue No.: 2001
Case No.:
Hearing Date: April 24, 2013
County: Wayne DHS (18)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 April 24, 2013, from Detroit, Michigan. Participants included the above-named claimant. Participants on behalf of Department of Human Services (DHS) included , Specialist.

ISSUE

The issue is whether DHS properly terminated Claimant's Adult Medical Program (AMP) benefit eligibility due to excess income.

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 AMP benefit recipient.
2. Claimant began receiving employment income from a job in 10/2012.
3. Claimant's employment income was through a temp agency and Claimant was uncertain how long the income would continue.
4. Claimant reported the employment income to DHS.
5. DHS projected Claimant's income as permanent and budgeted \$818/month in income for 11/2012.

6. On 10/18/12, Claimant's received his last pay from the employment.
7. Claimant did not report the income stoppage to DHS.
8. On 10/9/12, DHS initiated termination of Claimant's AMP eligibility due to excess income.
9. On 11/1/12, Claimant requested a hearing to dispute the AMP benefit termination.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). DHS administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105. The Adult Medical Program (AMP) is part of the MA program and was established by a federal waiver effective 10/1/2003. DCH and DHS administer the program. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The present case concerns an AMP benefit termination following a reported change in income. For MA recipients, DHS is to do a future month budget at redetermination and when a change occurs that may affect eligibility or a post-eligibility PPA. BEM 530 (10/2012), p. 1. Per DHS policy, DHS was authorized to recalculate Claimant's AMP eligibility following the reported change in income.

Claimant reported to DHS that the job was a temp job. As it turned out, Claimant's assignment only lasted for two weeks. DHS prospected Claimant's income for 11/2012 by presuming permanent and ongoing employment. A key determination is to decide whether DHS should have prospected a full month of employment income from a temp agency.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount. BAM 105 (9/2012), p. 1. Changes must be reported within 10 days of receiving the first payment reflecting the change. *Id.*

It is as possible for temp agency employment income to last indefinitely as it would end after two weeks. In the present case, neither DHS nor Claimant could have known that Claimant's employment income would abruptly end. It is known that it was Claimant's responsibility to report the change to DHS after he learned of the change. Claimant conceded that he did not report the end of employment to DHS. DHS cannot be faulted for continuing to budget income that Claimant did not receive, if Claimant did not report to DHS that the income stopped. It is found that DHS properly factored Claimant's income in the AMP eligibility determination for 11/2012. It still must be determined whether DHS properly determined Claimant's AMP eligibility based on the reported income.

Claimant conceded that DHS properly determined his income to be \$818 based on the limited sample size of Claimant's pays. For AMP, DHS is to deduct \$200 from a program group member's gross earnings. BEM 640 (10/2012), p. 3. DHS is to then deduct 20% of the person's remaining gross earnings. *Id.* Claimant's net income for purposes of AMP is found to be \$494, the same amount calculated by DHS.

Income eligibility exists when the program group's net income does not exceed the program group's AMP income limit. The AMP net income limit for a one person group is \$316. Claimant's net income exceeded the AMP net income limit. Accordingly, the AMP termination was proper.

As discussed during the hearing, AMP benefit eligibility is available for 4/2013. Thus, Claimant may be able to regain AMP eligibility if he reapplies prior to the end of 4/2013.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly terminated Claimant's AMP benefit eligibility, effective 11/2012, due to excess income. The actions taken by DHS are AFFIRMED.



Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 5/1/2013

Date Mailed: 5/1/2013

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

CG/hw

cc:

