

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

**IN THE MATTER OF:**

[REDACTED]

Reg No. 2013-17854  
Issue No. 2026, 3003  
Case No.. [REDACTED]  
Hearing Date: February 7, 2013  
County: Wayne (19)

**ADMINISTRATIVE LAW JUDGE:** Colleen M. Mamelka

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on Thursday, February 7, 2013. The Claimant appeared and testified. Participating on behalf of the Department of Human Services ("Department") was [REDACTED].

**ISSUE**

Whether the Department properly changed the Claimant's medical assistance ("MA") case to one requiring a deductible?

Whether the Department properly reduced the Claimant's food assistance ("FAP") benefits effective January 1, 2013?

**FINDINGS OF FACT**

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

1. The Claimant is an ongoing MA and FAP recipient.
2. On December 8, 2012, the Department sent a Notice of Case Action to the Claimant informing him that his FAP benefits would reduce effective January 1, 2013. (Exhibit 6)
3. On December 10, 2012, the Department sent a Notice of Case Action to the Claimant informing him that his MA case was approved with a deductible. (Exhibit 5)

4. As of January 1, 2013, the Claimant began receiving Retirement, Survivors, Disability, Insurance ("RSDI") income in the amount of \$977.00. (Exhibit 1)
5. The Claimant's child receives \$403.00/month in Supplemental Security Income ("SSI"). (Exhibit 2)
6. On December 17, 2012, the Department received the Claimant's timely written request for hearing.

### **CONCLUSIONS OF LAW**

The Medical Assistance ("MA") program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act. 42 USC 1397 and is administered by the Department of Human Services pursuant to MCL 400.10, *et. seq.* The Department, formally known as the Family Independence Agency, administers the program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Manual ("BRM").

The Food Assistance Program ("FAP") 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 administers the FAP program pursuant to MCL 400.10 *et seq.*, and Mich Admin Code, Rule 400.3001-3015. Department policies are found in the BAM, BEM, and the BRM.

The fiscal and asset groups are considered separately for each person requesting MA. BEM 211 (November 2012), p. 4. A child receiving SSI is a fiscal and asset group of one. BEM 211, p. 5. SSI recipients are excluded group members. BEM 211, p. 4.

For FAP purposes, parents and their children under 22 years of age who live together must be in the same group. BEM 212 (November 2012), p. 1. Available earned and unearned income of the FAP group is used to determine the amount of the FAP allotment.

In this case, the Claimant began receiving RSDI income in the amount of \$977.00/month effective January 1, 2013. The Claimant's child receives SSI income in the amount of \$403.00/month. When determining MA eligibility, the Claimant's child, an SSI recipient, is not part of the Claimant's fiscal or asset group. As such, the child is excluded which means the SSI income is not considered when determining the Claimant's MA eligibility. This was not done. Instead, the Department improperly included the child's SSI income when it determined the Claimant's MA eligibility. In light of the foregoing, the Department failed to establish it acted in accordance with policy

when it included the Claimant's child in the Claimant's MA fiscal group. Accordingly, the Department's MA determination is REVERSED.

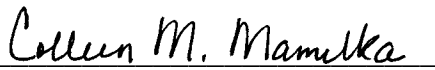
The Department also notified the Claimant of the reduction in FAP benefits based on the increase of the group's income as a result of the Claimant's RSDI income. For FAP purposes, the Claimant's child is a required group member; therefore, the child's SSI is considered when determining the group's FAP eligibility. In light of the foregoing, the Department established it acted in accordance with department policy when it reduced the Claimant's FAP benefits due to an increase in the group's income. Accordingly, the Department's FAP determination is AFFIRMED.

### **DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Department failed to establish it acted in accordance with department policy when it included the Claimant's child (an SSI recipient) in the Claimant's MA fiscal group. Further, it is found that the Department properly reduced the Claimant's FAP benefits when it considered the income of the Claimant and his child when determining the amount of the FAP allotment.

Accordingly, it is ORDERED:

1. The Department's MA determination is REVERSED.
2. The Department shall determine the Claimant's MA eligibility, excluding the SSI- recipient (child) from the fiscal group, in accordance with department policy.
3. The Department shall notify the Claimant of the determination and supplement for lost MA benefits if otherwise eligible and qualified, in accordance with department policy.
4. The Department's FAP determination is AFFIRMED.

  
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Colleen M. Mamelka  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: February 20, 2013

2013-17854/CMM

Date Mailed: February 20, 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

CMM/tm

cc:

