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

IN THE MATTER OF:



Reg. No.: 2013-25804

Issue No.: 1021, 2001, 3003

Case No.:

Hearing Date: February 28, 2013

County: Wayne (17)

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 following Claimant's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on Thursday, February 28, 2013. The Claimant appeared and testified. Participating on behalf of the Department of Human Services ("Department") was

ISSUE

Whether the Department properly denied the Claimant's application for cash assistance ("FIP") and Medical Assistance ("MA") benefits?

Whether the Department properly calculated the Claimant's food assistance ("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. On December 11, 2012, the Department received the Claimant's application for public assistance seeking FIP, MA, and FAP benefits.
- 2. The Claimant receives \$180.00/week in gross earnings.
- 3. The Claimant pays \$600.00 for his shelter and is responsible for utilities.
- 4. The Claimant's minor children stay with the Claimant 3 days a week.

- 5. On January 8, 2013, the Department notified the Claimant that he was denied FIP benefits due to excess income. (Exhibit 1)
- 6. The Notice of Case Action provided that the Claimant was denied MA benefits based on having no eligible children in the home. (Exhibit 1)
- 7. The Department approved the Claimant for FAP benefits in the amount of \$97.00/month. (Exhibit 1)
- 8. On January 17, 2013, the Department received the Claimant's timely written request for hearing.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Reference Tables ("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, Rules 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 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, Rules 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.

As a preliminary matter, the Claimant requested a hearing regarding his FIP, FAP, and MA benefits. Each program will be addressed separately.

FIP

All countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500 (November 2012), pp. 1, 2. The FIP income limit for a group size of 1 is \$306.00. RFT 210 (January 2009), p. 1.

In this case, the Department received the Claimant's application for public assistance seeking, in part, FIP benefits. The Claimant's earnings from employment exceed the program limits. As such, the Department established it acted in accordance with Department policy when it denied the Claimant FIP benefits.

MA

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105 (October 2010), p. 1. The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. BEM 105, p. 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formally blind or disabled. BEM 105, p. 1. Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant women, receive MA under FIP-related categories. BEM 105, p. 1.

MA is available to parents and other caretaker relatives who meet the eligibility requirements. BEM 135 (January 2011), p. 1. For MA purposes a dependent child must be under the age of 18 or be age 18 and a full-time high school (or equivalent) and expected to graduate before age 19. BEM 135, p. 3. A child is considered to be living with only one parent in a joint custody arrangement. BEM 135, p. 4. The primary caretaker is the person who provides the home where the child sleeps more than half of the days in a month, averaged over a twelve-month period. BEM 135, p. 4.

The Adult Medical Program ("AMP") provides limited medical coverage for individuals who are not disabled or a caretaker. BEM 214 (January 2010), p. 1. Applications received during the freeze on AMP enrollments must be registered and denied. BEM 640 (October 2012), p. 1.

In this case, the Claimant requested MA benefits; however, the Claimant is not a primary caretaker, therefore is not eligible under those programs. The Claimant is not blind or disabled so the only potentially available MA program was under the AMP. As explained during the hearing, this program is frozen for new enrollees. According, the Department established it acted in accordance with department policy when it denied the Claimant MA benefits.

FAP

All countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500 (November 2012), pp. 1, 2. All income is converted to a monthly amount. BEM 505 (October 2010), p. 1. A standard monthly amount must be determined for each income source used in the budget. BEM 505, p. 1. Weekly benefit amounts are converted to a monthly amount by

multiplying the weekly amount by 4.3. BEM 505, p. 6. Bi-weekly amounts are converted by multiplying the amount by 2.15. BEM 505, p. 6.

For FAP purposes, parents and their children under 22 years of age who live together must be in the same group regardless of whether the child(ren) have their own spouse or child who lives with the group. BEM 212 (November 2012), p. 1. Only one person can be the primary caretaker. BEM 212, p. 3. The primary caretaker is the person that the child sleeps more than half of the time. BEM 212, p. 3.

Group composition is the determination of which persons living together are included in the FAP program group. BEM 212 (November 2012), p. 1. For FAP purposes, parents and their children under 22 years of age who live together must be in the same group regardless of whether the child(ren) have their own spouse or child who lives with the group. BEM 212, p. 1. Only one person can be the primary caretaker. BEM 212, p. 3. The primary caretaker is the home of the person that the child sleeps at more than half of his/her time. BEM 212, p. 3.

Shelter expense is an allowable expense and includes rent payments. BEM 554 (October 2012), p. 10. In determining a FAP allotment, a Heat and Utility Standard is used whenever a FAP group contributes to the heat expense separate from rent, mortgage, or condominium/maintenance payments. BEM 554, p. 11.

In this case, the Department approved the Claimant for FAP benefits in the amount of \$97.00/month. The Department used the correct income, shelter obligation, and utility standard. The Claimant's children were not included in the FAP group because they do not sleep in the Claimant's home more than half of the time. As such, the Department correctly determined the Claimant's group size was 1. In light of the foregoing, it is found that the Department's FAP determination is AFFIRMED.

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 acted in accordance with policy when it denied the Claimant FIP and MA benefits. It is further found that the Department's monthly FAP calculation is correct.

Accordingly, it is ORDERED:

The Department's FIP, MA, FAP determinations are AFFIRMED.

Colleen M. Mamuka

Colleen M. Mamuka

Administrative Law Judge
for Maura Corrigan, Director

Department of Human Services

Date Signed: March 4, 2013

Date Mailed: March 4, 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 <u>MAY</u> 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

