

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-28889  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: June 5, 2013  
County: Oakland (63-02)

**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 June 5, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

Did the Department properly close Claimant's Adult Medical Program (AMP) case?

**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 AMP benefits.
2. In connection with a New Hire Client Notice Claimant submitted to the Department, the Department recalculated Claimant's income eligibility for AMP coverage.
3. On January 30, 2013, the Department sent Claimant a Notice of Case Action notifying him that his AMP case would close effective March 1, 2013, due to excess income.
4. On February 6, 2013, Claimant timely requested a hearing disputing the Department's action.

## CONCLUSIONS OF LAW

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.* Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), the Department of Human Services Bridges Eligibility Manual (BEM) and the Department of Human Services Reference Tables Manual (RFT).

The Department concluded that Claimant's net income, based on his earned income reported in connection with a January 14, 2013, New Hire Client Notice, exceeded the AMP income limit. Income eligibility for AMP coverage exists when the AMP group's net income does not exceed the group's AMP income limit. BEM 640 (October 1, 2012), p. 3. At the time the Department closed Claimant's AMP case, the AMP income limit for Claimant, an individual in an independent living arrangement, was \$316. RFT 236 (April 1, 2009), p. 1.

The Department must prepare a future month budget to determine a client's ongoing eligibility for Medical Assistance (MA) when a change is reported using amounts that will be, or are likely to be, received in the future month. BEM 530 (October 1, 2012), pp. 1-3; BEM 640, p. 4. When the amount of income from a source changes from month to month, the Department must estimate the amount that will be, or is likely to be, received in the future month. BEM 640, p. 4. For example, for fluctuating earned income, the Department must use the expected hourly wage and hours to be worked, as well as the pay day schedule, to estimate gross earnings. BEM 640, p. 4.

In this case, the Department testified that, in connection with determining Claimant's earned income, it considered the single check paystub dated January 11, 2013, for gross biweekly income of \$450 that Claimant submitted with his New Hire Client Notice. The Department testified that it doubled this amount to conclude that Claimant had monthly earned income of \$900 and used this amount in the AMP budget to determine Claimant's AMP eligibility.

At the hearing, Claimant contended that the \$450 paycheck was unusually high and that he generally worked 20 hours per week, earning \$9 per hour. Claimant's testimony is consistent with the New Hire Client Notice he completed and submitted to the Department on January 23, 2013, in which he indicated that he generally worked 20 hours per week at \$9 per hour, although he included a handwritten notation that he sometimes worked 10 additional temporary hours. Thus, there is a discrepancy in the hours indicated in the single paystub provided and the hours reported by Claimant in the Notice. See BEM 530, p. 3. Furthermore, review of the January 11, 2013, paystub Claimant submitted and the Department used shows that it included 16 hours of holiday pay. The period covered by the paystub begins December 24, 2012, and ends January 6, 2013, and, therefore, includes the Christmas and New Year holidays. Because the January 11, 2013, paystub does not accurately reflect Claimant's earned income, the Department did not act in accordance with Department policy when it calculated Claimant's gross earned income and, consequently, his AMP eligibility.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department did not act in accordance with Department policy when it closed Claimant's AMP case for excess income.

Accordingly, the Department's AMP decision is REVERSED.

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

1. Reinstate Claimant's AMP case effective March 1, 2013;
2. Begin reprocessing Claimant's continued eligibility under the AMP program by recalculating Claimant's AMP budget, in accordance with Department policy and consistent with this Hearing Decision;
3. Provide Claimant with AMP coverage he is eligible to receive from March 1, 2013, ongoing; and
4. 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: June 12, 2013

Date Mailed: June 13, 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.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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:

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- misapplication of manual policy or law in the hearing decision,
- typographical errors, mathematical error, or other obvious errors in the hearing decision that affect 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/pf

cc:

