

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201342517  
Issue No.: 3015, 2018  
Case No.: [REDACTED]  
Hearing Date: May 20, 2013  
County: Oakland County (#04)

**ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE**

**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 on Monday May 20, 2013 from Detroit, Michigan. The Claimant appeared and testified. Participants on behalf of Department of Human Services (Department) included [REDACTED] (Eligibility Specialist) and [REDACTED].

**ISSUE**

Whether the Department properly closed the Claimant's Food Assistance Program (FAP) benefits and her son's Medical Assistance (MA) benefits 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. The Claimant is an ongoing FAP recipient with a group size of 3.
2. The Claimant's son is an ongoing MA (Healthy Kids Expansion) recipient.
3. The Claimant and her husband both work part-time earning \$8.50 per hour paid bi-weekly.
4. The Department completed a FAP budget effective April 1, 2013 that shows the group having earned income in the amount of \$2,473, which resulted in a FAP benefit amount of \$117.00. (Exhibit 1)

5. The Department completed a FAP budget effective May 1, 2013 that shows the group having earned income in the amount of \$3115, which resulted in the group not being eligible for FAP benefits. (Exhibit 2)
6. On April 9, 2013 the Department sent notice of FAP and MA closure.
7. On April 17, 2013, the Department received the Claimant's written hearing request protesting the action.

### **CONCLUSIONS OF LAW**

The 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 Mich Admin Code, R 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.

In this case, the Department representative testified that the reason for the closure was due to excess income, however, the record does not support the assertion. According to the Department, the same four paystubs were used for both the April and May 2013 FAP budgets and the MA budget to determine eligibility. Paystubs in the amount of \$750.87 and \$793.00 for Claimant; and paystubs in the amount of \$669.38 and \$713.45 for the husband. Notably, the group was determined eligible for benefits on the April budget, but not eligible on the May FAP budget using the same paystubs. The Department did not present as evidence, the part of the FAP budget that shows what pay amounts were used to determine the earned income for the group. In addition, no budget for the MA benefits was presented at hearing. Claimant asserted that the group had no change in earnings at the time of case action.

After reviewing the record, the ALJ finds the evidence insufficient to support a finding that the Department acted properly in the closure of the Claimant's FAP benefits and her son's MA benefits. The Department has the burden of establishing, by a preponderance of the evidence that it acted in accordance with policy in any action that negatively affects a client's benefits. On this record, the Department did not meet its burden. The Department did not present sufficient credible documentary evidence, such

as the MA budget, notice of case action or other necessary documentation to substantiate the basis for the Departments action.

Accordingly, the Department's action is not upheld.

**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 not establish it acted in accordance with policy when it closed the Claimant's FAP benefits and her son's MA case due to excess income.

Accordingly, the Department's FAP and MA determination is hereby, **REVERSED**.

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

1. The Department shall reinstate the Claimant's FAP benefits to the date of closure; and issue a supplement for lost benefits, if any, that the Claimant was otherwise eligible to receive in accordance with policy.
2. The Department shall reinstate the son's MA (HKE) case and consider eligibility for other MA programs prior to taking any negative action in regards to the MA case, in accordance with policy.



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**Michelle Howie**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 5/28/2013

Date Mailed: 5/28/2013

**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

MH/hw

cc:

