

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

IN THE MATTER OF:

████████████████████
██
████████████████████

Reg. No.: 2013 47667
Issue No.: 2001, 3002
Case No.: ██████████
Hearing Date: June 13, 2013
County: Wayne (43)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 13, 2013, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ ES.

ISSUE

Due to excess income, did the Department properly deny the Claimant's application close Claimant's case reduce Claimant's benefits for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input checked="" type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> Child Development and Care (CDC)? |

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 applied for benefits for: received benefits for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP). | <input type="checkbox"/> Adult Medical Assistance (AMP). |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP). | <input type="checkbox"/> State Disability Assistance (SDA). |
| <input type="checkbox"/> Medical Assistance (MA). | <input type="checkbox"/> Child Development and Care (CDC). |

2. The Claimant also applied for Medical Assistance and his application was denied due to excess income when his earned income exceeded the Adult Medical Program (AMP) income limit.
3. On May 1, 2013, the Department denied Claimant's application for AMP due to excess income
4. On June 1, 2013 the Department reduced Claimant's FAP benefits due to excess income.
5. On June 1, 2013, the Department sent
 Claimant Claimant's Authorized Representative (AR)
notice of the denial. closure. reduction.
6. On May 13, 2013, Claimant or Claimant's AHR filed a hearing request, protesting the
 denial of the application. closure of the case. reduction of benefits.

CONCLUSIONS OF LAW

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

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

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 1999 AC, Rule 400.3001 through Rule 400.3015.

Additionally, at the hearing the Department presented an AMP budget which demonstrated that the Claimant's earned income exceeded the AMP income limit. The income limit of \$453 as established by RFT 236 is for an applicant and spouse; the AMP income limit for one individual is \$336 and is the limit which the Department should have used. However this mistake results in harmless error as the Claimant's income of \$1365 as determined by the Department, even after the 20% disregard and \$200 deduction, well exceeds the AMP income limit. Exhibit 4. The Claimant confirmed that the pay stubs submitted to the Department pursuant to the semi-annual report were correct and that the subsequent pay stubs submitted with the verification of employment and used to calculate the benefits were also confirmed. The Department calculated the Claimant's earned income using two pay stubs of \$707.98 (5/3/13) and \$673.75 (5/17/13). Exhibit 2 and 3. The budget as calculated by the Department for the period 6/1/13 is incorrect for two reasons. The first reason is that the Department used rent of \$200 and the Claimant's rent is \$250, and the gross earned income of \$1468 is

incorrect. The Gross income should be \$1485, the Department used \$1468. The earned income for the Claimant paid bi-weekly was $707.98 + 673.75 = \$1381.73 \div 2 = \$690.86 \times 2.15 = \$1485$. BEM 505, pp. 6,7. Exhibit 3.

A thorough review of the FAP budget submitted by the Department was made during the hearing and it is determined that the Budget as submitted is incorrect and must be recalculated.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that, due to excess income, the Department

properly

- denied Claimant's application for the Adult Medical Program
- reduced Claimant's benefits
- closed Claimant's case

improperly

- denied Claimant's application
- reduced Claimant's benefits
- closed Claimant's case

for: AMP FIP FAP MA SDA CDC.

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 act properly did not act properly.

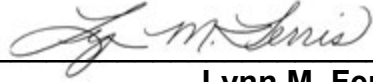
Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is AFFIRMED with regard to its denial of the Claimant's AMP application.

REVERSED with regard to its reduction and calculation of the Claimant's FAP benefits.

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 recalculate the Claimant's FAP benefits for June 2013.

2. The Department shall issue a FAP supplement to the Claimant, if any is appropriate, in accordance with Department policy.
3. The Department shall notify the Claimant of its recalculation in accordance with Department policy.



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: June 19, 2013

Date Mailed: June 19, 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 affect the substantial rights of the claimant,
 - 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

LMF/cl

cc: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]