

**STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES**

IN THE MATTER OF:



Reg. No.: 201328111
Issue No.: 2026, 3002
Case No.: [REDACTED]
Hearing Date: March 7, 2013
County: Macomb 20

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on March 7, 2013. Claimant appeared and testified.

ISSUE

Did the Department of Human Services determine the proper amount of Claimant's Medical Assistance (MA) eligibility on January 31, 2013?

Did the Department of Human Services determine the proper amount of Claimant's Food Assistance Program (FAP) benefits on January 31, 2013?

FINDINGS OF FACT

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

- (1) Claimant was an ongoing recipient of Medical Assistance (MA) and Food Assistance Program (FAP) benefits. Claimant was due for eligibility redetermination by January 31, 2013.
- (2) On December 26, 2012, Claimant submitted a Redetermination Form (DHS-1010) and necessary verifications.
- (3) On January 31, 2013, the Department re-determined Claimant's Medical Assistance (MA) and Food Assistance Program (FAP) eligibility based on the updated information Claimant had provided. Claimant was sent a Notice of Case Action (DHS-1605) which stated his benefit group was eligible for \$ [REDACTED] of Food Assistance Program (FAP) benefits per month and that Claimant and his spouse were eligible for Medical Assistance (MA) under the G2C category with a \$ [REDACTED] deductible.
- (4) On February 8, 2013, Claimant submitted a request for hearing.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by 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 (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

In this case, Claimant's concerns center around the decrease in his benefits. Claimant's household consists of four persons, [REDACTED] [REDACTED] and their [REDACTED]. The income and expenses of the household were verified during this hearing.

Medical Assistance (MA) financial eligibility budget

Department of Human Services Bridges Eligibility Manual (BEM) 536 Determining Budgetable Income - Group 2 FIP Related MA and Healthy Kids (2010) was followed to verify the amount of Claimant's total net income for Medical Assistance (MA) eligibility. The Department has correctly calculated that the total net income for Claimant and his spouse is \$ [REDACTED].

In accordance with Department of Human Services Bridges Eligibility Manual (BEM) 544 MA Needs - Group 2 (2008) Reference Tables 200 and 240 were used to confirm that \$ [REDACTED] is the income limit for Claimant's Medical Assistance (MA) eligibility.

Department of Human Services Bridges Eligibility Manual (BEM) 545 MA Group 2 Income Eligibility (2011) states that Income eligibility exists for a calendar month when there is no excess income or allowable medical expenses equal or exceed the excess income. It also states that Deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. In this case the deductible amount for Claimant and his spouse is \$ [REDACTED] (\$ [REDACTED] - \$ [REDACTED]). The Department's calculations of Claimant's Medical Assistance (MA) eligibility are correct.

Food Assistance Program (FAP) financial eligibility budget

When determining eligibility for Food Assistance Program (FAP) benefits in accordance with Department policy, the total gross income of the household must be evaluated. All earned and unearned income of each household member must be included, unless specifically excluded. Bridges Eligibility Manual, 500 series. The Food Assistance Program (FAP) program provides a deduction from earned income and a deduction for

the cost of child care when necessary to enable a Food Assistance Program (FAP) household member to work. A standard deduction from income is allowed for each household. The amount of the standard deduction depends on the number of members in the household. Certain non-reimbursable medical expenses may be deducted for senior/disabled/disabled veteran group members.

Another deduction from income is provided if monthly shelter costs are in excess of 50% of the household's income, after all of the other deductions have been allowed. There is a maximum deduction for households that do not contain a member classified as a senior, disabled, or disabled veteran. Bridges Eligibility Manual, Items 500 and 554; Program Reference Manual, Table 255; 7 CFR 273.2.

In this case, the Administrative Law Judge has reviewed the Food Assistance Program (FAP) budget. Claimant's income was properly computed but there was a minor discrepancy in the calculation of Claimant's total shelter amount. During this hearing eligibility calculations were done with the discrepancy corrected. Because Claimant's benefit group does not contain a member classified as a senior, disabled, or disabled veteran, there is a cap of \$ [REDACTED] for their excess shelter deduction. Claimant's adjusted excess shelter amount in the financial eligibility budget in evidence was \$ [REDACTED] so he only received the \$ [REDACTED] excess shelter deduction. When the discrepancy in Claimant's total shelter amount was corrected, his adjusted excess shelter amount was \$ [REDACTED]. The corrected amount is still above the \$ [REDACTED] excess shelter cap so correction of the discrepancy does not change his net income. The federal regulations at 7 CFR 273.10 provide standards for the amount of a household's benefits. The department in compliance with the federal regulations has prepared income limit and issuance tables which are set forth at Program Reference Manual, Table 250 and Table 260. The tables provide that a household with household size and net income of the claimant's is eligible for a Food Assistance Program (FAP) allotment of \$ [REDACTED].

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services determined the proper amount of Claimant's Medical Assistance (MA) and Food Assistance Program (FAP) eligibility on January 31, 2013.

It is ORDERED that the actions of the Department of Human Services, in this matter, are **UPHELD**.

/s/ _____
Gary F. Heisler
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: March 13, 2013

Date Mailed: March 13, 2013

NOTICE: Administrative Hearings 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. Administrative Hearings 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:
- 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

GFH/tb

cc:

