

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

**IN THE MATTER OF:**



Reg. No.: 2013-39116  
Issue No.: 3003;2013  
Case No.:   
Hearing Date: May 2, 2013  
County: Macomb County DHS #20

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**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 Thursday, May 2, 2013 from Lansing, Michigan. Participants on behalf of Claimant included the claimant and his friend, . Participants on behalf of Department of Human Services (Department) included APS.

**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 type="checkbox"/> Adult Medical Assistance (AMP)?    |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" 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 checked="" type="checkbox"/> Medical Assistance (MA).	<input type="checkbox"/> Child Development and Care (CDC).
2. On March 25, 2013, the Department  denied Claimant's application  closed Claimant's case  reduced Claimant's benefits due to excess income.
3. On March 25, 2013, the Department sent

Claimant notice of the  Claimant's Authorized Representative (AR) denial.  closure.  reduction.

4. On April 3, 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 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 1997 AACS R 400.3101-3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (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 1997 AACS R 400.3001-3015.

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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 1998-2000 AACS R 400.3151-400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1997 AACS R 400.5001-5015.

Additionally, the claimant applied for FAP and MA on January 28, 2013. The claimant receives \$ [REDACTED] in Social Security RSDI benefits. Department Exhibit 2-4. The claimant's son, Om., receives \$ [REDACTED] in RSDI benefits. Department Exhibit 8-10. The claimant's son, Oz., receives \$ [REDACTED] in RSDI benefits. Department Exhibit 5-7. The

claimant's daughter, T., receives \$ [REDACTED] in RSDI benefits. Department Exhibit 11-13. The claimant's wife had earned income from employment of \$ [REDACTED] Department Exhibit 14.

The department determined that the claimant had had a spend down /deductible due to department error. The claimant is eligible for full MA retroactive to June 1, 2012 and the Medical Savings Program (MSP) retroactive to February 1, 2013. However, the claimant's wife had a spenddown/ deductible due to her earned income from employment.

As a result of excess income, the claimant only qualified for \$ [REDACTED] in FAP benefits. After deductions from his gross earned income of \$ [REDACTED] and gross unearned income of \$ [REDACTED] of \$ [REDACTED] earned income deduction and \$ [REDACTED] standard deduction for an adjusted gross income of \$ [REDACTED]. The claimant was given a total shelter deduction of \$ [REDACTED] resulting from a housing expense of \$ [REDACTED] and heat and utility standard of \$ [REDACTED]. The claimant was given an adjusted excess shelter deduction of [REDACTED] with a total shelter deduction of \$ [REDACTED] minus 50% of adjusted gross income of \$ [REDACTED]. The claimant had a net income of \$ [REDACTED] which was the adjusted gross income of \$ [REDACTED] minus the excess shelter deduction of [REDACTED]. With a net income of \$ [REDACTED] the claimant qualified with a household group size of 5 for a maximum benefit of \$ [REDACTED] plus \$ [REDACTED] in economic recovery minus [REDACTED] of net income of \$ [REDACTED] resulting in a net benefit amount of \$ [REDACTED]. Department Exhibit 6, pages 15-17.

The department has met its burden that the claimant had excess income for FAP resulting in FAP benefits of \$ [REDACTED]. The department corrected its former MA action and the claimant is eligible for MA and MSP.

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  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  REVERSED for the reasons stated on the record.

/s/  
Carmen G. Fahie  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: May 10, 2013

Date Mailed: May 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:
  - 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

CGF/hj

cc:

