

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201269480
Issue No: 2014
Case No: [REDACTED]
Hearing Date: January 2, 2013
Roscommon County DHS

ADMINISTRATIVE LAW JUDGE: Suzanne D. Sonneborn

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 received by the Department of Human Services (department) on August 1, 2012. After due notice, a telephone hearing was held on January 2, 2013 at which Claimant appeared and provided testimony. The department was represented by [REDACTED], an eligibility specialist with the department's Roscommon County office.

ISSUE

Whether the department properly closed Claimant's Adult Medical Program (AMP) benefits for excess income?

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 a recipient of AMP benefits at all times relevant to this hearing.
2. On July 19, 2012, the department received Claimant's completed New Hire Client Notice (DHS-4635), along with Claimant's first two paystubs. (Department Exhibit A)
3. On July 23, 2012, the department mailed Claimant a Notice of Case Action (DHS 1605), informing her that, effective September 1, 2012, her AMP benefits would be closed for the reason that her income amount exceeds the limit for the program. (Department Exhibits B, C, D)
4. On September 1, 2012, Claimant requested a hearing, protesting the department's closure of her AMP benefits. (Request for Hearing)

CONCLUSIONS OF LAW

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600. The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1).

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Bridges Reference Manual (BRM), and the Reference Tables Manual (RFT).

Department policy provides that income eligibility exists when the program group's net income does not exceed the program group's AMP income limit. BEM 640. The AMP income limits are in RFT 236. The department must use only available income. Available income means income which is received or can reasonably be anticipated. Available income includes amounts garnished from income, joint income, and income received on behalf of a person by his representative. BEM 640. The department averages income received in one month which is intended to cover several months by dividing the income by the number of months it covers to determine the monthly available income. The average amount is considered available in each of the months. When determining income from the past month, use the amount actually received in the past month. BEM 640.

For the individual income deduction, \$200.00 is deducted from a program group member's gross earnings. An additional 20% is then deducted of the person's remaining gross earnings. The total disregard cannot exceed the person's gross earnings. BEM 640.

In this case, the department received verification from Claimant that she began employment on June 15, 2012 and, while Claimant received a paycheck for the pay period ending June 16, 2012 in the amount of \$ [REDACTED] the department looked at Claimant's receipt of her first full paycheck for pay period ending June 30, 2012 in the amount of \$ [REDACTED] – and, because Claimant is paid biweekly, the department multiplied that amount by two to determine that Claimant receives monthly income in the amount of \$ [REDACTED]. In order to determine Claimant's net income, the department subtracted \$ [REDACTED] from her actual income leaving a net earned income of \$ [REDACTED] for the time period in question. The \$ [REDACTED] deduction includes a \$ [REDACTED] individual income deduction as well as a 20% earned income deduction of \$ [REDACTED] ($\$ [REDACTED] \times 20\% = \$ [REDACTED]$).

A claimant with a group size of one has a maximum income limit of \$ [REDACTED] RFT 236. Because Claimant's net income of \$ [REDACTED] exceeded the allowable AMP monthly income limit of \$ [REDACTED] Claimant is not entitled to AMP benefits for the time period in question.

A claimant with a group size of one has a maximum income limit of \$ [REDACTED] RFT 236. Because Claimant's net monthly unearned income of \$ [REDACTED] exceeded the allowable AMP monthly income limit of \$ [REDACTED] Claimant is no longer eligible for AMP benefits due to excess income.

Accordingly, the Administrative Law Judge finds that based on the competent, material, and substantial evidence presented during the January 2, 2012 hearing, the department properly closed Claimant's AMP benefits case effective September 1, 2012 due to excess income.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly closed Claimant's AMP benefits case effective September 1, 2012 due to excess income. The department's AMP eligibility determination is therefore **UPHELD**.

It is **SO ORDERED**.

/s/ _____
Suzanne D. Sonneborn
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: January 4, 2013

Date Mailed: January 4, 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 this 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 errors, or other obvious errors in the hearing decision that affect the substantial rights of Claimant;
 - The failure of the ALJ to address other relevant issues in the hearing decision.

A request for a rehearing or reconsideration must be submitted through the local DHS office or directly to MAHS by mail at:

Michigan Administrative Hearings System
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, MI 48909-07322

SDS/cr

cc:

