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

IN THE MATTER OF:

[redacted]

Reg. No.: 2013-49795
Issue No.: 2014;3015
Case No.: [redacted]
Hearing Date: July 1, 2013
County: Oakland (03)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 July 1, 2013 from Detroit, Michigan. Claimant appeared and testified. Participating on behalf of the Department of Human Services (Department) was [redacted] Assistance Payment Worker Supervisor.

ISSUE

Due to excess income, did the Department properly close Claimant's Food Assistance Program (FAP) case and deny her application for Medical Assistance (MA)?

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 submitted an application for MA on April 3, 2013.

2. Claimant was an ongoing recipient of FAP benefits.

3. In connection with her application for MA, Claimant's FAP eligibility was redetermined.

4. On May 7, 2013, the Department sent Claimant a Notice of Case Action informing her that her MA application had been denied and her FAP case would be closing effective June 1, 2013 due to excess income. (Exhibit 1).

5. On May 22, 2013, Claimant filed a hearing request disputing the Department's actions.

CONCLUSIONS OF LAW

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

MA

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.

Additionally, Claimant submitted an application for MA under the Adult Medical Program (AMP) which was denied due to excess income. Claimant requested a hearing disputing the denial. At the hearing, the AMP Budget was reviewed. The Department determined that Claimant had unearned income from child support in the amount of $478.49 and that she received unemployment compensation totaling $1,448.00 monthly. (Exhibit 2). Claimant confirmed that these amounts were correct. The Department properly concluded that because Claimant had net income the amount of $1,926.00 which is greater than the income limit of $336.00 for the AMP program, she was not eligible for MA. RFT 236 (April 2009), p. 1. Therefore, the Department did act in accordance with Department policy when it denied Claimant's application for MA assistance.

FAP

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. Rule 400.3001 through Rule 400.3015.

Additionally, Claimant's FAP benefits were recalculated in connection with the submission of her MA application. The Department concluded that due to excess income, she was no longer eligible to receive FAP benefits and sent Claimant a Notice of Case Action on May 7, 2013 informing her of the case closure effective June 1, 2013. (Exhibit 1). At the hearing, the FAP EDG Net Income Results for the benefit period of June 1, 2013 was reviewed. The Department concluded that Claimant had unearned income of $2,094.00 which came from child support and unemployment compensation. (Exhibit 4). The Department testified that Claimant receives $724.00 in unemployment

benefits biweekly and that it prospectively budgeted the benefits by multiplying the average of the amount by the 2.15 standard multiplier to conclude that Claimant has $1,556.60 in unearned income from unemployment. BEM 505 (October 2010), pp.6-7. The Department testified that it calculated $538.31 as Claimant's unearned income from child support for FAP purposes. The Department stated that according to a child support summary, Claimant received $269.00 per child per month in child support for each of her two children for the months of January 2013 through April 2013. Therefore, the Department properly concluded that Claimant's total unearned income for FAP purposes is $2, 094.00.

The FAP budget shows that the Department properly applied the $148.00 standard deduction applicable to Claimant's confirmed group size of one and that the $575.00 standard heat and utility deduction available to all FAP recipients was properly applied. Claimant also confirmed that her housing costs were $587.50 (Exhibit 1;Exhibit 4); RFT 255 (October 2012), p 1; BEM 554, pp. 11-12.

A further review of the evidence establishes that the Department properly determined that Claimant was no longer eligible to receive FAP benefits because her net income was $1,756.00, which exceeded the limit. (Exhibit 4). For FAP purposes, the applicable FAP net income limit for Claimant's confirmed group size of three is $931.00. RFT 250 (October 2012), p. 1. Therefore, the Department acted in accordance with Department policy when it closed Claimant's FAP case effective June 1, 2013 due to excess income. Accordingly, the Department's FAP decision is AFFIRMED.

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 acted in accordance with Department policy when it denied Claimant's MA application and closed Claimant's FAP case due to excess income. Accordingly, the Department's decision with respect to MA and FAP is AFFIRMED.

Zainab Baydoun

Zainab Baydoun
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 9, 2013

Date Mailed: July 9, 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

ZB/cl

cc: [redacted]