

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

**IN THE MATTER OF:**

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

Reg. No.: 2014808  
Issue No.: 2018; 3002  
Case No.: ██████████  
Hearing Date: October 30, 2013  
County: Oakland (03)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on October 30, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and ██████████, Claimant's sister and authorized hearing representative (AHR). Participants on behalf of the Department of Human Services (Department) included ██████████, Eligibility Specialist.

**ISSUE**

Did the Department properly deny Claimant's application for Medical Assistance (MA)?

Did the Department properly calculate Claimant's Food Assistance Program (FAP) benefits for July 9, 2013, ongoing?

**FINDINGS OF FACT**

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

1. On July 9, 2013, Claimant submitted an online application for FAP and MA benefits.
2. On July 11, 2013, the Department sent Claimant a Notice of Case Action denying the MA application.
3. On August 6, 2013, the Department sent Claimant a Notice of Case Action approving her FAP application for \$26 in monthly benefits.

4. On August 23, 2013, Claimant filed a request for hearing disputing the denial of her MA application and the amount of her FAP benefits.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, Claimant requested a hearing disputing the denial of her MA application and the amount of her FAP benefits.

#### **Denial of MA Application**

On July 11, 2013, the Department sent Claimant a Notice of Case Action denying her MA application because (1) she did not meet the age requirement, was not pregnant, was not the caretaker of a minor child in the home, and was not blind or disabled and (2) the Adult Medical Program (AMP) was not available to new enrollees.

An individual may receive MA coverage if she qualifies under a FIP-related MA category or an SSI-related MA category. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare, or formerly blind or disabled. BEM 105 (October 2010), p. 1. To receive MA under a FIP-related category, the person must have dependent children, be a caretaker relative of dependent children, be under age 21, or be a pregnant or recently pregnant woman. BEM 105, p. 1. In this case, the AHR's testimony at the hearing established that Claimant was not eligible for MA under any of the eligibility categories. Although there was some testimony regarding a possible disability, Claimant did not identify herself as disabled in her application. Therefore, the Department acted in accordance with Department policy when it denied Claimant's MA application.

AMP provides limited medical services for persons not eligible for MA coverage. BEM 100 (January 2013), p. 4. The AMP program was closed to new enrollees in July 2013, the month of Claimant's application. Therefore, the Department acted in accordance with Department policy when it denied Claimant's July 9, 2013 application for AMP coverage. See BEM 640 (October 2012), p. 1.

### **Calculation of FAP Benefits**

In an August 6, 2013 Notice of Case Action, the Department notified Claimant that she was approved for ██████ in FAP benefits for July 9, 2013, through July 31, 2013, and for ██████ in monthly FAP benefits for August 1, 2013, ongoing. Claimant disputed the amount of her monthly allotment.

Because the Department did not provide a FAP budget with its hearing packet, the budget on the Notice was reviewed with the AHR. The AHR confirmed that Claimant was the sole member of her FAP group. As such, the Department properly concluded that she was eligible for a ██████ standard deduction. BEM 550 (February 2012), p. 1; RFT 255 (October 2012), p. 1. The Notice also shows that Claimant was afforded the \$575 heat and utility standard applicable to all FAP recipients. RFT 255 (October 2012), p. 1; BEM 554, p. 1.

The Notice shows that Claimant received ██████ in gross monthly earned income. This would take into consideration the ██████ earned income deduction. BEM 550, p. 1. The AHR disputed this calculation, contending that Claimant's sole income was as a home health chore provider for her mother, brother and sister totaling ██████ in gross income, without any deduction. The Department did not have any documentation to support its calculation. The AHR also disputed the Department's use of \$0 in monthly housing expenses. The Department was unable to confirm at the hearing that Claimant did not identify any housing expenses in her application.

Because the Department could not verify the earned income and shelter expenses it used in Claimant's FAP calculation, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it calculated Claimant's FAP benefits.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it denied Claimant's MA application but failed to satisfy its burden of showing that it acted in accordance with Department policy when it calculated her FAP benefits.

### **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED IN PART with respect to denial of Claimant's MA application and REVERSED IN PART with respect to the calculation of her FAP benefits.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Recalculate Claimant's FAP benefits for July 9, 2013, ongoing;
2. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not from July 9, 2013, ongoing; and
3. Notify Claimant in writing of its decision.



**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: November 7, 2013

Date Mailed: November 7, 2013

**NOTICE OF APPEAL:** 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

2014808/ACE

If submitted by mail, the written request must be addressed as follows:

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

ACE/tm

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