

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

**IN THE MATTER OF:**

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

Reg. No.: 2014-10465  
Issue No.: 2003; 3003  
Case No.: ██████████  
Hearing Date: December 4, 2013  
County: Sanilac

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

**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 Wednesday, December 4, 2013, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included Holly DeGrow, HC, and Jennifer Messing, ES.

**ISSUE**

Due to changes in federal FAP annual standards and 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  received:  
 FIP  FAP  MA  AMP  SDA  CDC  
benefits.
2. On October 14, 2013, the Department  denied Claimant's application  closed Claimant's case  reduced Claimant's benefits due to changes in federal FAP annual standards and excess income.

3. On October 14, 2013, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
4. On October 25, 2013, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's actions.

### **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), and Department of Human Services Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131.

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.

The Adult Medical Program (AMP) is established by 42 USC 1315 and is administered by the Department pursuant to MCL 400.10.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858g; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

Additionally, the Claimant receives ██████ in Social Security RSDI benefits. Department Exhibit 54-56. The Claimant's son, ██████, receives ██████ in Social Security SSI

benefits. Department Exhibit 58-60. The Claimant had a decrease in FAP benefits due to changes in Federal FAP annual standards. The utility standard was decreased from \$575 to \$553. In addition, the economic recovery amount standard was deleted to \$0 from \$44. As a result, the Claimant had a decrease in her FAP benefits from [REDACTED] to [REDACTED] Department Exhibit 31-37.

The Department Caseworker determined eligibility for MA where the Claimant had excess income for MA AD-Care, where the income limit was \$958 for AD-Care, but the Claimant had a net income of [REDACTED] which resulted in her being denied for MA AD-Care.

As a result of her excess income for MA AD-Care, the Claimant was determined eligible for a MA Spenddown/Deductible case. The Claimant had RSDI income from Social Security of [REDACTED]. After dividing the [REDACTED] in income by the 3.9 pro-rate divisor, the Claimant had a pro-rated share of income of [REDACTED]. The income of [REDACTED] minus the pro-rated share of income of [REDACTED] left a total net income of [REDACTED]. The Claimant had a deductible of [REDACTED] which resulted from the total net income of [REDACTED] minus the income limit of [REDACTED]. Department Exhibit 28-30.

The Department has met its burden that the Claimant's FAP benefit was properly determined based on changes in Federal FAP annual standards and that the Claimant had excess income for MA resulting in a deductible of [REDACTED]. BEM 111, 135, 500, 503, 530, 550, and 554.

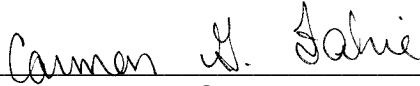
The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department

acted in accordance with Department policy when it reduced the Claimant's FAP benefits due to changes in Federal FAP annual standards and determined that the Claimant had excess income for MA, resulting in a spenddown/deductible.

**DECISION AND ORDER**

Accordingly, the Department's decision is

**AFFIRMED.**

  
**Carmen G. Fahie**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 12/11/2013

Date Mailed: 12/11/2013

**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

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

CGF/pw

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