

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: [REDACTED]
Issue No.: 3015, 2018
Case No.: [REDACTED]
Hearing Date: [REDACTED]
County DHS: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Susanne E. Harris

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 [REDACTED], from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly take action to close the Claimant's Food Assistance Program (FAP) case and properly take action to close the Claimant's Low Income Family (LIF) Medical Assistance (MA) case and open a MA case with a deductible?

FINDINGS OF FACT

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

1. The Claimant was an on-going recipient of LIF MA benefits.
2. At some point in time, the Claimant applied for FAP and MA benefits, as she testified that her medical bills were not being paid by the Department.
3. The net income for Claimant's group is \$ [REDACTED]
4. The net income limit for the Claimant's group size is \$ [REDACTED]
5. At some point in time, the Department placed the Claimant's LIF MA case into spend down status.

6. On ██████████, the Department sent the Claimant notice that her FAP case would close and that the Department changed her MA to a deductible.
7. On ██████████, the Department received the Claimant's written hearing request protesting the closure of her LIF MA case and the denial of her application for FAP 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 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 Mich Admin Code, R 400.3101 through R 400.3131. 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 Mich Admin Code, R 400.3001 through R 400.3015.

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 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.

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 State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 ACS, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

The Department bears the burden of proving, by a preponderance of the evidence that the departmental action taken is in accordance with departmental policy. In this case, the budget in evidence establishes that the Claimant's household has excess income for FAP benefits and the denial of the Claimant's FAP application is found to be in accordance with departmental policy.

The Claimant initially contested the amount of income attributed to her daughter in the FAP budget, however, as the hearing progressed she conceded that her daughter's income was likely accurate. The FAP budget in evidence establishes that Claimant's household composition consists of three persons and a net income for the group of \$██████████. The Department therefore has met its burden of proving that the Claimant's FAP case was closed in accordance with departmental policy.

██████████ testified that the Claimant has excess income for LIF MA and her case was therefore placed into spend-down status requiring her to spend \$██████████ per month before she can receive MA benefits. There is no MA budget included in the evidence. There is also no information in evidence as to when it was that the Claimant's MA case was placed into spend-down status. As such, the Department did not meet its burden of proving that the Claimant's LIF MA case was properly placed into spend-down status and therefore in accordance with departmental policy.

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 when denying the Claimant's application for FAP benefits.
- did not act properly when placing the Claimant's active LIF MA case into spend-down status.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is:

- AFFIRMED.**
- REVERSED.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is:

- AFFIRMED.
- REVERSED.**

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

[REDACTED]/SEH

1. The Department shall initiate action to reinstate the Claimant's LIF MA benefits retroactive to the date her LIF MA case was placed into spend-down status.

/s/
Susanne E. Harris
 Administrative Law Judge
 for Maura Corrigan, Director
 Department of Human Services

Date Signed: 02/06/2013

Date Mailed: 02/06/2013

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 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

SEH/kl

cc:

[REDACTED]