

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201325358  
Issue No.: 3015; 2026  
Case No.: [REDACTED]  
Hearing Date: March 19, 2013  
County: Saginaw

**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 March 19, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included Family Independence Manager (FIM) [REDACTED] and Eligibility Specialist (ES) [REDACTED].

**ISSUE**

Did the Department properly take action to close the Claimant's Food Assistance Program (FAP) case and increase the Claimant's deductible on her Medical Assistance (MA) case, due to excess/increased income?

**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 is an ongoing recipient of monthly FAP benefits in the amount of \$ [REDACTED] and a recipient of MA with a deductible of \$ [REDACTED]
2. On November 1, 2012, the Department computed a change budget which also counted the Claimant's [REDACTED] income.
3. On November 1, 2012, the Department sent the Claimant a DHS-1605, Notice of Case Action informing the Claimant that her FAP case would close due to excess income and that her and her [REDACTED] MA deductible would increase to \$ [REDACTED]
4. On November 10, 2012, the Department received the Claimant's written hearing request protesting the closure of her FAP case and the increase in her and her [REDACTED] deductible on the MA case.

**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 AACS, 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.

Additionally, Bridges Eligibility Manual (BEM) 554 (2012) p. 1, provides that medical expenses can not be deducted in a FAP budget unless a member of the group is a senior, disabled veteran or disabled. The Claimant did not contest she has no such member in her group. The Claimant did not contest the amounts budgeted as income in her FAP budget. The Claimant testified that she did not understand the change in her benefits, as her household income had not changed. The Department testified that the Claimant's [REDACTED] income had not ever been budgeted previous to the change budget computed on November 1, 2012; that the Claimant has received an

overissuance of benefits and that her case has since been referred to the Office of Inspector General.

Based on a review of the policy and the budget in evidence, the Administrative Law Judge determines that the Claimant has in excess of \$ [REDACTED] of income to even be eligible for FAP. Regarding the closure of her FAP case, the Administrative Law Judge concludes that the Department's actions were in accordance with policy. As it relates to her MA case, however, the evidence is insufficient to establish that the Department's determination of the Claimant's and her [REDACTED] MA deductible was in accordance with departmental policy, as there is no MA budget in evidence.

**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 taking action to close the Claimant's FAP case.  the evidence is insufficient to establish that the Department acted properly when determining the Claimant's and her husband's MA deductible.

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:

1. Initiate action to redetermine the Claimant's and her husband's eligibility and/or deductible for MA benefits, and
2. Initiate action to produce a budget which supports the Department's redetermination, and
3. Initiate action to issue the Claimant any supplement that she may thereafter be due.

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

Date Signed: March 20, 2013

Date Mailed: March 22, 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

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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/tb

cc:

