

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-34237  
Issue No.: 3013; 2026  
Case No.: [REDACTED]  
Hearing Date: April 16, 2013  
County: Wayne-76

**ADMINISTRATIVE LAW JUDGE:** Vicki L. Armstrong

**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 April 16, 2013, from Lansing, Michigan. Claimant personally appeared and provided testimony. Participants on behalf of Department of Human Services (Department) included Family Independence Specialist [REDACTED] [REDACTED]

**ISSUE**

- (1) Due to excess income, did the Department properly reduce Claimant's Food Assistance Program (FAP) benefits?
- (2) Based on excess income, did the Department properly change Claimant's Medical Assistance (MA) plan to an MA-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. Claimant received benefits for Food Assistance Program (FAP) and Medicaid.
2. On March 4, 2013, the Department reduced Claimant's FAP benefits to \$[REDACTED] per month due to the change in her unearned income. The Department also changed Claimant's MA program to an MA-deductible program.
3. On March 4, 2013, the Department sent Claimant a notice of the change in FAP benefits, effective March 1, 2013. The Notice also indicated that beginning March 1 – March 31, 2013, Claimant's MA-deductible would be \$[REDACTED] a month, then beginning April 1, 2013 ongoing, Claimant's MA-deductible would be \$[REDACTED] a month.

4. On March 8, 2013, Claimant filed a hearing request, protesting the decrease of FAP benefits and the change of Medicaid to an MA-deductible 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).

As an initial matter, the Department failed to provide a Medicaid budget showing how the MA-deductible was arrived at. Therefore, the Department was unable to prove their calculations were correct. As a result, the MA-deductible issue is reversed for a proper eligibility determination, including a Medicaid budget.

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 1997 AACR 400.3001-3015.

During the hearing, the department was unable to explain where the \$ [REDACTED] in unearned income on the FAP-EDG Net Income Results printout came from. According to the Department's testimony, Claimant's unearned income should have been \$ [REDACTED] in unemployment (\$ [REDACTED] in unemployment compensation benefits received twice in February), plus \$ [REDACTED] (\$ [REDACTED] in child support received twice in February), for a total of \$ [REDACTED].

Therefore, the Administrative Law Judge concludes that due to the discrepancies in the unemployment compensation benefits and child support amounts used to calculate the unearned income in the FAP budget, the department has failed to show it properly reduced Claimant's FAP benefits.

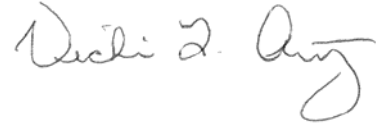
### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did not act properly in reducing Claimant's FAP benefits or in changing Claimant's Medicaid case to a Medicaid spend down.

Accordingly, the Department's FAP and MA decision is **REVERSED**.

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

The Department is ORDERED to re-determine Claimant's eligibility for FAP and MA back to 3/4/13, the Notice of Case Action.



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Vicki L. Armstrong  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: April 17, 2013

Date Mailed: April 18, 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.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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

VLA/las

cc:

