

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

IN THE MATTER OF:

██████████
██
██

Reg. No.: 2013-41651
Issue No.: 2026; 3002
Case No.: ██████████
Hearing Date: May 15, 2013
County: Oakland (04)

ADMINISTRATIVE LAW JUDGE: Susan C. Burke

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 May 15, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████.

ISSUE

Did the Department properly deny Claimant's application close Claimant's case
 calculate 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 benefits received 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). |

2. On April 2, 2013, the Department
 denied Claimant's application closed Claimant's case calculated Claimant's FAP benefits and MA deductible.
3. On April 2, 2013, the Department sent
 Claimant Claimant's Authorized Representative (AR)
notice of the denial. closure. calculation.
4. On April 16, 2013, Claimant filed a hearing request, protesting the
 denial of the application. closure of the case. calculation.
5. During the hearing, Claimant did not dispute the figures used by the Department in its calculations.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

It is noted that in her hearing request, Claimant checked "Cash," as well as "Medicaid" and "Food Assistance." Claimant acknowledged at the hearing that she had not applied for cash assistance and she had not received cash assistance from the Department. The Department representative stated that no negative action was issued regarding cash assistance, so that issue is not before this Administrative Law Judge.

MEDICAL ASSISTANCE

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.

An individual or MA group whose income is in excess of the monthly protected income level is ineligible to receive MA. However, an MA group may become eligible for assistance under the deductible program. A deductible is a process which allows a client with excess income to be eligible for MA, if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month. The MA group must report expenses by the last day of the third month following the month it wants medical coverage. BEM 545; 42 CFR 435.831

The monthly protected income level for a Medical Assistance group of one living in Oakland County is \$408.00 per month. RFT 200, 240 In determining net income a standard deduction of \$20.00 is deducted for SSI-related Medical Assistance recipients.

In the present case, Claimant acknowledged that her monthly income of RSDI, exceeded the monthly protected income level of \$408.00 by approximately \$1,062.00 per month. Claimant was consequently ineligible to receive MA. However under the deductible program, if the Claimant incurs medical expenses in excess of \$1,062.00 during the month she may then be eligible for MA. Claimant also acknowledged that she had not submitted all medical receipts to the Department in the three months prior to the Notice of Case Action of April 2, 2013. It is also noted that, after Claimant's hearing request of April 16, 2013, adjustments were made to Claimant's MA deductible. However, those adjustments are not included in this Hearing Decision, as this Hearing Decision is limited to Claimant's request for hearing of April 16, 2013.

After careful review of the MA budget presented by the Department, it is concluded that the Department was correct in its calculation of Claimant's MA deductible.

FOOD ASSISTANCE PROGRAM

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 1999 AC, Rule 400.3001 through Rule 400.3015.

BEM 550 instructs that eighty percent of the earned income of a household be added to unearned income to determine gross income. Adjusted gross income in a household is then determined by subtracting the standard amount (RFT 255). Monthly net income for FAP purposes is then determined by subtracting allowable expenses, such as a shelter deduction, if any. BEM 554.

In the present case, Claimant did not dispute the figures (for example, figures for shelter and income) used by the Department in its calculation of Claimant's FAP benefits. Claimant was allowed the standard amount for heat and utilities. After careful review of Department policy, it is determined that the Department's calculation of Claimant's FAP benefits was correct. Claimant may submit additional information regarding medical expenses and shelter expenses for a future adjustment to her FAP benefits.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department

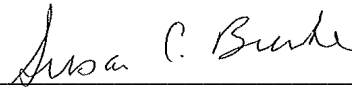
- | | |
|---|--|
| <input type="checkbox"/> properly denied Claimant's application | <input type="checkbox"/> improperly denied Claimant's application |
| <input type="checkbox"/> properly closed Claimant's case | <input type="checkbox"/> improperly closed Claimant's case |
| <input checked="" type="checkbox"/> properly calculated Claimant's benefits | <input type="checkbox"/> improperly calculated Claimant's benefits |

for: AMP FIP FAP MA SDA CDC.

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. did not act properly.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated on the record.



Susan C. Burke
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 21, 2013

Date Mailed: May 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 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 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.

2013-41651/SCB

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

SCB/tm

cc: [REDACTED]
[REDACTED]
[REDACTED]
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