

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-42966
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: July 18, 2013
County: SSPC-East (97-98)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 July 22 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED]

ISSUE

Did the Department properly deny Claimant's Adult Medical Program (AMP) application?

FINDINGS OF FACT

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

1. On April 7, 2013, Claimant applied for AMP benefits.
2. On April 11, 2013, the Department sent Claimant a Notice of Case Action denying the AMP application due to excess income.
3. On April 22, 2013, Claimant timely requested a hearing disputing the Department's action.

CONCLUSIONS OF LAW

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.* Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), the Department of Human Services Bridges Eligibility Manual (BEM) and the Department of Human Services Reference Tables Manual (RFT).

At the hearing, Claimant clarified that she had requested a hearing solely concerning the Department's denial of her AMP application. The Department testified that it denied Claimant's application because her net income, based on her earned income reported in her application and in her paystubs, exceeded the AMP income limit. Income eligibility for AMP coverage exists when the AMP group's net income does not exceed the group's AMP income limit. BEM 640 (October 1, 2012), p. 3. At the time of Claimant's application, the AMP income limit for Claimant, an individual in an independent living arrangement, was \$316. BEM 214 (January 2010), p. 2; RFT 236 (April 1, 2009), p. 1.

In this case, the Department provided an AMP income budget showing the calculation of Claimant's gross month income at \$828. The Department testified that, in connection with calculating Claimant's earned income, it considered Claimant's biweekly pay of \$286.01 received on March 18, 2013, and \$550.56 received on April 1, 2013. The Department also had a paystub showing \$490.55 received on April 15, 2013. However, a review of the Department's calculation shows that it actually considered Claimant's pay information from her application. In her April 7, 2013, application, Claimant identified her employment at [REDACTED] and indicated that she was paid biweekly at a rate of \$7.40 per hour, for 28 hours per week. Calculation of Claimant's gross monthly pay based on \$7.40 per hour, for 28 hours per week, for 4 weeks results in monthly gross income of \$828.

In budgeting income at application, the Department must use amounts already received in the processing month and estimate amounts likely to be received during the remainder of the month based on information provided by the client. BEM 640, p. 4. When the amount of income from a source changes from month to month, the Department must estimate the amount that will be, or is likely to be, received in the future month. BEM 640, p. 4. For example, for fluctuating earned income, the Department must use the expected hourly wage and hours to be worked, as well as the pay day schedule, to estimate gross earnings. BEM 640, p. 4. In this case, the Department acted in accordance with Department policy when it considered Claimant's pay based on her expected hourly wage and hours to be worked, particularly where Claimant verified on the record that the hours and pay identified on her application were accurate. (It is noted that the Department's calculation based on this information results in less gross income than Claimant actually received during the April 2013 application month.)

In determining Claimant's net income, the Department must apply a gross earning deduction of \$200 plus an additional deduction totaling 20% of the remaining gross earnings. BEM 640, p. 4. Applying this deduction, the Department properly concluded that Claimant had a net income of \$502. Because Claimant's net income of \$502 exceeded the AMP income limit of \$316, the Department acted in accordance with Department policy when it denied Claimant's AMP application.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department acted in accordance with Department policy when it denied Claimant's AMP application for excess income.

Accordingly, the Department's AMP decision is AFFIRMED.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 24, 2013

Date Mailed: July 24, 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 affect 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

2013-42966/ACE

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

ACE/pf

cc:

