

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

**IN THE MATTER OF:**

████████████████████  
████████████████████  
████████████████████

Reg. No.: 2013-49552  
Issue Nos.: 2019, 3016  
Case No.: ██████████  
Hearing Date: July 24, 2013  
County: Oakland (02)

**ADMINISTRATIVE LAW JUDGE:** Jan Leventer

**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 25, 2013, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant and her husband, ██████████. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████, Eligibility Specialist and ██████████ ██████████, Interpreter, Universal Interpreters.

**ISSUE**

Due to excess income, did the Department properly  deny the Claimant's application  close Claimant's case  reduce 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 for:  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 March 14, 2013, the Department  denied Claimant's application  closed Claimant's case  reduced Claimant's FAP benefits due to his status as a fulltime student without twenty or more hours of employment.
3. Also on June 1, 2013, the Department imposed a Patient Pay Amount (PPA or deductible) on both Claimant and her husband as a requirement of Medicaid benefits.
4. On April 11, 2013, the Department sent  Claimant  Claimant's Authorized Representative (AR) notice of the  denial.  closure.  FAP reduction.
5. On May 23, 2013, Claimant or Claimant's AHR filed a hearing request, protesting the  denial of the application.  closure of the case.  reduction of 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 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.

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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

Additionally, there is no dispute that Claimant's son Mohamad Fahad (twenty years old) was an ineligible fulltime student at the time the Department's reduction of FAP benefits occurred. The Department's policy regarding food assistance for students is found in Bridges Eligibility Manual (BEM) 245, "School Attendance and Student Status." This policy states that unless the student is working twenty hours or more per week, they are not eligible for food assistance. Department of Human Services Bridges Eligibility Manual (BEM) 245 (2013).

Applying this policy to the current case, and having considered all of the evidence in this case in its entirety, it is found and determined that the Department acted correctly in removing Claimant's son Mohamad Fahad Anwar from the FAP program. The Department's action is affirmed.

Next, with regard to Claimant's MA benefits, the Claimant filed a request for hearing to complain about the Patient Pay Amount, or deductible, of ██████ each, imposed upon Claimant and her husband as a condition of receiving MA benefits.

The Department's policy on this question is found in Bridges Eligibility Manual (BEM) 545, "MA Group 2 Income Eligibility." This policy sets up a procedure whereby customers with income must pay a part of their own medical expenses. Department of Human Services Bridges Eligibility Manual (BEM) 545 (2011), pp. 8-9.

The Department must use the customer's gross income as the starting point for fixing the deductible amount. Department of Human Services Bridges Eligibility Manual (BEM) 500 (2013). Next, the Department gives a standard \$████ deduction for earned income. Dept. Exh. 1, p. 14. Then, the Department's Reference Table Manual (RFT) 240, "MA Monthly Protected Income Levels," is the chart that is used to show the next deduction, which is a deduction made from the countable net income. Department of Human Services Reference Tables Manual (RFT) 240 (2007). Having consulted this chart, it is found and determined that the Department made a ██████ deduction for two persons, from the Claimant's countable net income of ██████. The amount of ██████ is the correct amount stated in RFT 240. Dept. Exh. 1, p. 14.

Last, after the Department subtracted the protected income amount, \$████ it arrived at a remainder number of ██████. This is the amount of the deductible that both parties are individually responsible for. BEM 545.

Having reviewed the applicable policies and procedures and all of the evidence in this case in its entirety, it is found and determined that the Department acted correctly when it calculated the ██████ deductibles for Claimant and her husband. The Department's action is correct and shall be affirmed.

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, due to excess income, the Department  properly  improperly

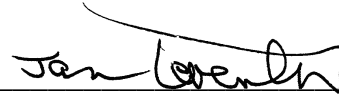
- denied Claimant's application
- reduced Claimant's benefits
- closed Claimant's case

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.



**Jan Leventer**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: July 29, 2013

Date Mailed: July 30, 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 affect the substantial rights of the claimant,
  - 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

JL/tm

cc: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]