

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201356002
Issue No.: 3015, 2026
Case No.: [REDACTED]
Hearing Date: July 31, 2013
County: Wayne County (#49)

ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's July 1, 2013 request for a hearing. After due notice, a telephone hearing was conducted on Wednesday, July 31, 2013, from Detroit, Michigan. The Claimant appeared and testified. Participant on behalf of Department of Human Services (Department) was [REDACTED] (Eligibility Specialist).

ISSUE

Due to excess income, did the Department properly determine Claimant would have a Medical Assistance (MA) deductible case?

Due to excess income, did the Department properly close Claimant's case for Food Assistance Program (FAP) benefits?

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:

- | | |
|--|---|
| <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 June 18, 2013, the Department pended the FAP benefits for closure and the MA case to have a deductible of \$1025.00 effective August 1, 2013 due to income.
3. On June 18, 2013, the Department sent Claimant notice of the FAP closure and MA reduction.
2. On July 1, 2013, Claimant filed a hearing request, protesting the
 denial of the application. closure of the case. reduction of benefits.

CONCLUSIONS OF LAW

The Department of Human Services (DHS) 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 1997 AACS R 400.3001-3015.

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.

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. BEM 500 (January 2013), p. 3. All countable earned and unearned income available to the client must be considered in determining eligibility. SSI and RSDI income, a federal benefit administered by the Social Security Administration, is available to retired and disabled individuals, their dependents, and survivors of deceased workers. BEM 503 (November 2012). The gross benefit amount is counted as unearned income. BEM 503. All other income is converted to a monthly amount. BEM 505 (October 2010), p. 1. A standard monthly amount must be determined for each income source used in the budget. Weekly benefit amounts are converted to a monthly amount by multiplying the weekly amount by 4.3. Bi-weekly amounts are converted by multiplying the amount by 2.15. BEM 505.

In this case, Claimant reported to the Department that he began working in April 2013 and submitted paystubs for 30 days. At hearing, he acknowledged the gross RSDI unearned income received and the earned income reported. The Claimant believes the net amount of his earnings should be used in calculating his eligibility. Pursuant to policy, the Department is to use the gross amounts for the income used and has no discretion to do otherwise. In reviewing the FAP and MA budgets, the Department established it acted in accordance with policy when it closed the FAP benefits and determined Claimant would have an MA deductible of \$1025.00, based on the increase in earned income. Claimant should report any decrease in earned to the Department

within 10 days of the change. The Department will process the reported income change in accordance with policy to affect future benefits.

Accordingly, the Department's action is UPHELD.

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 established it acted properly in regards to Claimant's FAP and MA benefits due to excess income.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is hereby, **AFFIRMED**.

M. Howie

Michelle Howie
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 8/7/2013

Date Mailed: 8/7/2013

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

MH/hw

cc:

