

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

**IN THE MATTER OF:**

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

Reg. No.: 2013 58766  
Issue No.: 2026; 3003  
Case No.: ██████████  
Hearing Date: August 15, 2013  
County: Oakland (04)

**ADMINISTRATIVE LAW JUDGE:** Lynn M. Ferris

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

**ISSUE**

Did the Department properly calculate the Claimant's Food Assistance benefits for April and May 2013?

Did the Department properly calculate the Claimant's Group 2 Medical Assistance 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. The Claimant applied for Food Assistance and Medical Assistance on April 23, 2013.
2. The Department calculated the Claimant's FAP benefits incorrectly when it entered the amount of unearned income as \$732. The Claimant's FAP group does receive unearned income in the amount of \$639. Exhibit 1

3. The Department imposed a Medical Assistance deductible in the amount of \$238 beginning May 2013. The Department did not provide the income that it used to determine the deductible amount.
4. The Department issued a Notice of Case Action on June 25, 2013 imposing a medical deductible amount of \$218 per month.
5. The Claimant requested a hearing on June 25, 2013 protesting the amount of her food assistance benefits and the medical assistance deductible imposed by the Department.

### **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 Mich Admin Code, R 400.3001 through R 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 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.

### **FAP BENEFITS**

Additionally, in this case a thorough review of the Claimant's FAP budget was made during the hearing and it was determined that the Department did not correctly calculate the FAP benefits, as the amount of unearned income was incorrect. The Department entered \$724 and the unearned income based upon the SOLQ was \$639. The Department conceded the error. The Department did properly calculate the earned income based upon check stubs provided for March 2013, provided by the Claimant. Exhibit 2. The Department also correctly included in the excess shelter deduction the correct mortgage amount \$819.20, confirmed by Claimant, and a utility allowance of \$575 as provided by RFT 255 (7/1/12). Based upon the evidence provided at the hearing, it is determined that the Department incorrectly calculated the Claimant's FAP benefits for May and June 2013 due to the error in entering unearned income and must recalculate the benefits.

**MEDICAL ASSISTANCE DEDUCTIBLE**

The Department presented a medical assistance budget to demonstrate how the Department determined the MA deductible amount of \$218. Exhibit 4 The budget could not be reviewed because the Department could not provide the amount of income it used to determine the amount of the deductible. The hearing was paused several times (off the record) so that the Department could have the opportunity to determine the amount of the income used to calculate the medical deductible and was unable to provide that information. Based upon the evidence provided, the undersigned was unable to determine whether the deductible was correctly calculated. The Department therefore did not meet its burden of proof to demonstrate that the deductible amount was correct. Based upon the evidence presented, the Department must recalculate the deductible amount and provide an explanation of its calculation to the Claimant.

**DECISION AND ORDER**

**FOOD ASSISTANCE**

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 when
- did not act properly when it calculated FAP benefits for May and June 2013.

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

**MEDICAL ASSISTANCE DEDUCTIBLE**

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

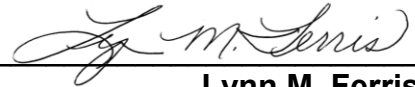
- did act properly when
- did not act properly when it calculated the medical assistance deductible for June 2013.

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

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

1. The Department shall initiate recalculation of the Claimant's FAP benefits for the months of May and June 2013 and correct the unearned income amount. The Department shall issue a FAP supplement to the Claimant for FAP benefits Claimant was otherwise entitled to receive in accordance with Department policy.

2. The Department shall initiate recalculation of the Claimant's medical assistance deductible amount for May and June 2013 and shall provide the Claimant an explanation of the income used to determine the deductible amount.



**Lynn M. Ferris**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: August 23, 2013

Date Mailed: August 23, 2013

**NOTICE OF APPEAL:** 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

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

LMF/cl

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