

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

**IN THE MATTER OF:**

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████████████████████

Reg. No.: 2013-64454  
Issue No.: 2026;3000  
Case No.: ██████████  
Hearing Date: October 10, 2013  
County: Wayne (35)

**ADMINISTRATIVE LAW JUDGE:** Zainab Baydoun

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on October 10, 2013, from Detroit, Michigan. Claimant, his wife ██████████, his daughter ██████████ and ██████████ appeared and testified. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████, Eligibility Specialist and ██████████ ██████████, Assistance Payment Supervisor.

**ISSUE**

Did the Department properly process Claimant's benefits for Food Assistance Program (FAP) and calculate Claimant's Medical Assistance (MA) 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. There was no negative action taken with respect to FAP, as Claimant did not have an active FAP case and there was no FAP application submitted within 90 days prior to Claimant's hearing request.
2. Claimant was an ongoing recipient of MA with a deductible amount of ██████████.
3. On August 14, 2013, Claimant submitted a hearing request disputing the calculation of his MA deductible.

## CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

### **FAP**

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

The Michigan Administrative Code R 400.903(1) provides as follows:

An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied or is not acted upon with reasonable promptness, and to any recipient who is aggrieved by an agency action resulting in suspension, reduction, discontinuance, or termination of assistance.

A request for hearing must be in writing and signed by the claimant, petitioner, or authorized representative. Rule 400.904(1). Moreover, the Bridges Administrative Manual (BAM) 600 (July, 2013), p. 4, provides in relevant part as follows:

The client or authorized hearing representative has *90 calendar days from the date of the written notice of case action to request a hearing*. The request must be received anywhere in DHS within the 90 days. [Emphasis added.]

At the hearing, the Department testified and Claimant confirmed that Claimant was not an active and ongoing recipient of FAP benefits and that he had not submitted an application for FAP benefits within the 90 days prior to his filing of a hearing request. Therefore, the Department had neither determined Claimant's eligibility for FAP nor had the Department taken any negative action with respect to Claimant's benefits; therefore, Claimant's hearing request is DISMISSED for lack of jurisdiction. BAM 600, p 4.

### **MA**

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. BEM 545 (July 2013), p 10.

Individuals are eligible for Group 2 MA coverage when net income (countable income minus allowable income deductions) does not exceed the applicable Group 2 MA protected income levels (PIL), which is based on shelter area and fiscal group size. BEM 105 (July 2013), p 1; BEM 166 (July 2013), pp 1-2; BEM 544 (July 2013), p 1; RFT 240 (July 2007), p 1. The monthly PIL for an MA group of two (Claimant and his wife) living in Wayne County is \$ [REDACTED] per month. RFT 200 (July 2007), p 1; RFT 240, p 1. Thus, if Claimant's net monthly income is in excess of the [REDACTED]0, he may become eligible for assistance under the deductible program, with the deductible being equal to the amount that his monthly income exceeds [REDACTED]. BEM 545, p 1.


At the hearing, the Department produced a SSI-Related MA budget showing how the deductible in Claimant's case was calculated. (Exhibit 2). The Department testified that it calculating Claimant's unearned income, it considered monthly Retirement, Survivors, and Disability Insurance (RSDI) benefits received by Claimant and his wife. Claimant verified that he and his wife both received gross monthly RSDI benefits of [REDACTED] and \$1,618.90, respectively. The Department also presented an SOLQ in support of it's testimony. (Exhibit 3). The Department properly subtracted the [REDACTED] disregard to establish Claimant's total net income for MA purposes at [REDACTED]0. BEM 530 (July 2013), p 1; BEM 541 (July 2013), p 3. Claimant confirmed that there is a \$104.90 insurance premium that is deducted from the monthly RSDI benefits. The Department applied this insurance premium deduction to Claimant's MA budget to determine that Claimant has countable income in the amount of \$ [REDACTED]

Because Claimant's net income of \$ [REDACTED] for MA purposes exceeds the monthly protected income level of \$500.00 by [REDACTED], the Department calculated Claimant's monthly [REDACTED] MA deductible in accordance with Department policy

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it calculated Claimant's monthly MA deductible.

### **DECISION AND ORDER**

Accordingly, Claimant's hearing request with regards to FAP is DISMISSED and the Department's MA decision is AFFIRMED.

  
**Zainab Baydoun**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: October 18, 2013

Date Mailed: October 18, 2013

**NOTICE OF APPEAL:** 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.

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).

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

ZB/tm

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