

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-65958  
Issue No.: 1000, 3002, 4000  
Case No.: [REDACTED]  
Hearing Date: October 28, 2013  
County: Oakland (04)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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 28, 2013, from Detroit, Michigan. Participants included the above-named Claimant. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Specialist.

**ISSUE**

The issue is whether DHS properly excluded medical expenses in determining Claimant's Food Assistance Program (FAP) eligibility.

**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 [REDACTED]/13, Claimant applied for FAP benefits, Medical Assistance (MA) and cash assistance.
2. Claimant's application reported an unspecified amount of medical expenses.
3. On [REDACTED]/13, DHS denied Claimant's FAP benefit application due to excess income, without factoring Claimant's reported medical expenses.
4. On [REDACTED]/13, DHS denied Claimant's cash assistance application due to excess income.

5. On [REDACTED]/13, DHS determined Claimant to be eligible for Medicaid, effective [REDACTED]/2013, subject to a monthly \$2131 deductible.
6. On [REDACTED]/13, Claimant requested a hearing to dispute MA, cash assistance and "other" eligibility; Claimant testified "other" was intended to dispute the FAP benefit denial.
7. Claimant testified that she concedes that the DHS determinations concerning cash and MA eligibility were proper.

### **CONCLUSIONS OF LAW**

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

Prior to a substantive analysis of Claimant's hearing request, it should be noted that Claimant's request noted that Claimant required special arrangements to participate in the administrative hearing. Claimant testified that she has multiple ailments and that she might need to appear for the hearing via telephone if she was unwell on the day of hearing. As it happened, Claimant appeared for the hearing and stated that she needed no particular accommodation. The hearing was conducted accordingly.

Claimant requested a hearing, in part, to dispute a denial of FAP benefits. FAP benefit budget factors include: income, standard deduction, mortgage expenses utility credit, medical expenses, child support expenses, day care expenses, group size and senior/disability/disabled veteran status. During the hearing, all of the budget factors were discussed with Claimant. The only factor disputed by Claimant was DHS' failure to factor medical expenses.

DHS is to only consider the medical expenses of senior disabled, disabled veteran person in the eligible group or SDV persons disqualified for certain reasons. BEM 554 (7/2013), p. 8. DHS is to verify allowable medical expenses including the amount of reimbursement, at initial application and redetermination. *Id.*, p. 11.

DHS is to tell the client what verification is required, how to obtain it, and the due date. BAM 130 (7/2013), p. 3. DHS is to use the DHS-3503, Verification Checklist (VCL), or for MA redeterminations, the DHS-1175, MA Determination Notice, to request verification. *Id.*

It was not disputed that Claimant reported medical expenses. It was not disputed that DHS failed to factor Claimant's medical expenses in the FAP determination. It was not disputed that Claimant failed to verify the expenses, but it was also not disputed that DHS failed to request proof of the expenses. DHS should have requested proof of the expenses prior to the application denial. It is found that the failure by DHS to mail Claimant a Verification Checklist to request proof of Claimant's medical expenses was improper.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant withdrew her hearing request concerning cash assistance and MA benefit eligibility. Claimant's hearing request is **PARTIALLY DISMISSED**.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly determined Claimant's FAP benefit eligibility. It is ordered that DHS perform the following actions:

- (1) reinstate Claimant's application dated [REDACTED]/13 requesting FAP benefits;
- (2) initiate processing of Claimant's application subject to the finding that DHS must request proof of medical expenses.

The actions taken by DHS are **REVERSED**.



Christian Gardocki  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 11/20/2013

Date Mailed: 11/20/2013

**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

CG/hw

cc:

