

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-19191  
Issue No.: 2001, 3001  
Case No.: [REDACTED]  
Hearing Date: January 23, 2014  
County: Wayne (35)

**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 January 23, 2014, from Detroit, Michigan. Participants included the above-named Claimant, [REDACTED], Claimant's spouse, testified on behalf of Claimant's and appeared as Claimant's translator. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Specialist.

**ISSUES**

The first issue is whether DHS properly determined Claimant's Food Assistance Program (FAP) eligibility effective 10/2013.

The second issue is whether DHS properly determined Claimant's Medical Assistance (MA) 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. Claimant was an ongoing FAP benefit recipient.
2. Claimant was part of a household that included himself, his spouse, an adult child and three minor children.

3. Claimant received the following gross employment income (see Exhibits 1-4): \$463.88 on [REDACTED]/13, \$463.88 on [REDACTED]/13, \$466.80 on [REDACTED]/13 and \$466.80 on [REDACTED]/13.
4. Claimant's spouse receive the following gross employment income: \$722.70 on [REDACTED]/13 and \$720 on [REDACTED]/13 (see Exhibit 5).
5. Claimant's spouse received additional employment income of \$497.08/month as a care provider.
6. Claimant's adult child received gross employment income of \$1,000/month.
7. On [REDACTED]/13, DHS determined that Claimant was ineligible for FAP benefits, effective 10/2013, due to excess income.
8. On an unspecified date, DHS determined that Claimant was eligible for Medicaid, subject to an \$1890/month deductible.
9. On [REDACTED]/13, Claimant requested a hearing to dispute the termination of FAP benefits and MA benefit determination.

### **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).

Claimant requested a hearing, in part, to dispute a FAP benefit termination. It was not disputed that Claimant's FAP benefit eligibility ended due to failing to meet the income requirements for FAP eligibility.

A non-categorically eligible, non-SDV FAP group must have income below the gross and net income limits. BEM 550 (7/2013), p. 1. The evidence tended to establish that Claimant's FAP benefit group did not contain a senior, disabled or disabled veteran; thus, Claimant's group is a non-SDV group. For FAP benefits, a group is categorically eligible based on enhanced authorization for domestic violence prevention services. Bridges Program Glossary (7/2013), p. 10. There was no evidence that any member of Claimant's group was eligible for prevention services. Thus, Claimant's group is subject to the gross income test.

DHS converts weekly non-child support income into a 30 day period by multiplying the income by 4.3. BEM 505 (10/2010), p. 6. Multiplying Claimant's weekly income by 4.3 results in a monthly employment income of \$2,000 (dropping cents).

DHS converts bi-weekly non-child support income into a 30 day period by multiplying the income by 2.15. BEM 505 (7/2013), pp. 7-8. Multiplying Claimant's spouse's bi-weekly income by 2.15 results in a countable employment income of \$1550 (dropping cents). Claimant's spouse received an additional \$497.08/month as a care provider.

Claimant testified that his adult daughter received \$1000/month in gross employment income. Adding Claimant's, his spouse's and daughter's income results in a total household gross income of \$5047.

For non-Senior/Disabled/Disabled Veteran groups who are not categorically eligible, DHS is to deny benefits if the gross income maximum found in RFT 250. BEM 556 (7/2013), p. 3. The gross income limit for a 6-person FAP benefit group is \$3423. Though DHS calculated Claimant's income to be \$5995 (see Exhibits 6-7), Claimant is not eligible for FAP benefits based on the income information provided during the hearing. Accordingly, the termination of FAP benefits was proper.

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. 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).

Claimant also requested a hearing to dispute a determination that Claimant was eligible for Medicaid subject to an \$1896 deductible. Claimant thought the deductible to be too high.

Clients may qualify under more than one MA category. BEM 105 (10/2010), p. 2. Federal law gives them the right to the most beneficial category. *Id.* The most beneficial category is the one that results in eligibility or the least amount of excess income. *Id.* As a non-disabled caretaker to minor children, Claimant is potentially eligible for Medicaid through the Low Income Family (LIF) and Group Two Caretaker (G2C) programs.

Allowable LIF expenses include: employment income deductions, dependent care expenses child support expenses and guardianship expenses. It was not disputed that Claimant's only income was earned income; thus, Claimant was eligible for an earned income deduction.

Claimant is eligible for a \$200 + 20% earned income deduction (see BEM 110 (7/2013), p. 20). Applying the earned income deduction to Claimant's and his spouse's income

results in a countable income of at least \$2483. The LIF income limit for a five-person LIF group (Claimant's adult daughter is not counted) is \$732/month. RFT 243 (7/2007), p. 1. Thus, Claimant is not eligible for LIF.

As a caretaker to minor children, Claimant could also receive Medicaid through G2C. G2C is a Group 2 MA category. Income for Group 2 related categories is determined based on the policies within BEM 536.

Claimant's monthly income was \$1861 (dropping cents). It should be noted that MA income budgets do not use a multiplier to convert income to a 30-day period. DHS allows a \$90 deduction for earned income; Claimant's running income is \$1781. Claimant's pro-rated income is calculated by dividing Claimant's countable income (\$1781) by a pro-rated divisor. The pro-rated divisor is the sum of 2.9 and the number of dependents (three- one for Claimant's spouse and two for Claimant's minor children). Claimant's pro-rated income is \$301. DHS calculated a lower and more favorable pro-rated income for Claimant (\$300). For purposes of this decision, the more favorable amount for Claimant will be accepted as correct.

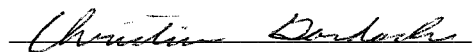
Claimant's spouse's pro-rated share of income is calculated identically. Claimant's spouse's total income is \$1939 (dropping cents) and her countable income is \$1849. Claimant's spouse's pro-rated share of income is determined to be \$313 (dropping cents).

The adult's pro-rated income is multiplied by 2.9 to determine the adult's share of the adult's own income (\$870). Claimant's spouse's income is multiplied by 3.9 to determine her share of income and an additional share of Claimant's income (\$300) is considered the couple's share of income. The total countable net income is \$2390.

Deductions are given for insurance premiums, remedial services and ongoing medical expenses. Claimant did not allege having such expenses. The income limit for G2C eligibility is \$500. RFT 240 (7/2007), p. 1. The amount that Claimant's net income exceeds the income limit is the amount of Claimant's deductible. Claimant's deductible is found to be \$1890, the same amount calculated by DHS.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly terminated Claimant's FAP eligibility, effective 10/2013, and properly determined Claimant's eligibility for MA benefits. The actions taken by DHS are **AFFIRMED**.

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

Date Signed: 2/3/2014

Date Mailed: 2/3/2014

**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:

