

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

IN THE MATTER OF:



Reg. No.: 201417429
Issue No.: 2000; 2010; 3000; 4001
Case No.: [REDACTED]
Hearing Date: January 13, 2014
County: Wayne (19)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 13, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly deny Claimant's application for Medical Assistance (MA), Food Assistance Program (FAP), and State Disability Assistance (SDA) 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. On [REDACTED] 2013, Claimant applied for MA, FAP and cash assistance.
2. There are two individuals in Claimant's household: Claimant and his wife.
3. On [REDACTED], 2013, the Department sent Claimant a Notice of Case Action denying Claimant's SDA application and his and his wife's eligibility for medical benefits under the Adult Medical Program (AMP).
4. On [REDACTED] 2013, the Department sent Claimant a verification checklist (VCL) requesting verification of Claimant's wife's wages, Claimant's disability, and their rent expenses by [REDACTED], 2013

5. On [REDACTED] 2013, Claimant filed a request for hearing disputing the Department's actions.

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).

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 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.

The Adult Medical Program (AMP) is established by 42 USC 1315 and is administered by the Department pursuant to MCL 400.10.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

Additionally, on [REDACTED] 2013, Claimant requested a hearing concerning the Department's actions regarding his application for FAP, MA, and SDA assistance. At the hearing, the Department established that on [REDACTED] 2013, it sent Claimant a Notice of Case Action denying his eligibility for SDA and for AMP coverage. It further established that, at the time Claimant filed his [REDACTED] 2013, hearing request, it had not made any decision concerning his FAP and disability-based MA eligibility because it was awaiting his response to the [REDACTED] 2013, VCL requesting documentation to process those applications. The verifications were not due until [REDACTED], 2013. The Department testified that Claimant had subsequently provided the requested verifications and it had approved Claimant for FAP benefits and forwarded his medical documentation to the Medical Review Team (MRT) where his eligibility for disability-based MA continued to be processed by MRT as of the hearing date. Because the Department had not made a decision concerning Claimant's FAP and disability-based MA application at the time he filed his [REDACTED] 2013, hearing request, Claimant was not an aggrieved party with respect to those matters. Mich

Admin Code, R 400.903(1). Accordingly, Claimant's hearing request concerning his FAP and disability-based MA application was premature and is dismissed. Claimant was advised that if he disagreed with the subsequent determination of his FAP or disability-based MA eligibility or benefit amount, he could request a hearing. The hearing proceeded to address the Department's denial of Claimant's eligibility for SDA and AMP benefits.

AMP Denial

AMP provides limited medical services for persons not eligible for MA coverage. BEM 100 (October 2013), p. 6. The AMP program was closed to new enrollees in December 2013, the month of Claimant's application. Therefore, the Department acted in accordance with Department policy when it denied Claimant's [REDACTED] 2013 application for AMP coverage. See BEM 640 (October 2012), p. 1.

SDA Denial

An individual who does not have a minor child in the home but is disabled may be eligible for cash assistance under the SDA program. BEM 214 (July 2013), p. 1; In order to be eligible for SDA benefits, an individual must be in financial need. BEM 515 (July 2013), p. 1; BEM 518 (July 2013), p. 1. Financial need exists when the client passes the issuance deficit test. BEM 515, p. 1; BEM 518, p. 1. This means that the client's budgetable income is less than the applicable payment standard or no more than \$10 over the payment standard. BEM 518, pp. 3-4. The SDA payment standard for an individual and his or her spouse living in an independent living arrangement is \$315. RFT 225 (December 2013), p. 1.

In this case, the Department did not present an SDA budget showing the income considered in finding that Claimant was not income eligible. However, the Department presented Claimant's application in which he indicated that his wife received weekly gross earned income based on hourly pay of \$9.50 for 40 hours per week employment, and Claimant did not dispute this income information. Claimant's wife's gross monthly income based on this pay information is \$380, and her monthly income for SDA purposes is \$1634 (the \$380 weekly pay times 4.3). BEM 505 (July 2013), pp. 7-8.

In determining budgetable income, the Department must deduct \$200 from each person's countable earnings, then deduct an additional 50% of each person's remaining earnings. BEM 518, p. 5. Reducing the \$1634 in gross monthly income by \$200 and then an additional 50% results in budgetable income of \$717. Because Claimant's household's budgetable income of \$717 exceeds the applicable \$315 payment standard, the Department acted in accordance with Department policy in denying Claimant's SDA application.

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 denied Claimant's application for AMP and SDA benefits.

DECISION AND ORDER

Because the Department had not rendered a decision concerning Claimant's FAP or disability-based MA application at the time Claimant filed his [REDACTED], 2013 hearing request, Claimant's hearing request concerning those programs is DISMISSED.

The Department's AMP and SDA decisions are AFFIRMED.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: January 21, 2014

Date Mailed: January 21, 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:

2014-17429/ACE

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

ACE/tif

cc:

