

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201420826
Issue No.: 2001; 3001
Case No.: [REDACTED]
Hearing Date: February 4, 2014
County: Kent

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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, telephone hearing was held on Tuesday, February 4, 2014, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant and his wife, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED], ES and [REDACTED], APSup.

ISSUE

Due to excess income, did the Department properly reduce Claimant's benefits for Food Assistance Program (FAP) and Medical Assistance (MA) 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. Claimant received FAP and MA benefits.
2. On December 26, 2013, the Department reduced Claimant's benefits due to excess income.
3. On December 26, 2013, the Department sent Claimant notice of its decision.
4. On December 31, 2013, Claimant filed a hearing request, protesting 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), and Department of Human Services Reference Tables Manual (RFT).

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.

Additionally, the Claimant was a recipient of FAP benefits. The Claimant had an increase in Social Security benefits from [REDACTED] to [REDACTED] for the Claimant and from [REDACTED] to [REDACTED] for the Claimant's wife. Department Exhibit 2-7.

As a result of excess income, the Claimant had a decrease in FAP benefits. Department Exhibit 11-12. After deductions from his gross income of [REDACTED] of a [REDACTED] standard deduction for an adjusted gross income of [REDACTED]. The Claimant had a net income of [REDACTED], which was the adjusted gross income of [REDACTED] minus the excess shelter deduction of [REDACTED]. With a net income of [REDACTED], the Claimant qualified with a household group size of 2 for a maximum benefit of [REDACTED] plus [REDACTED] in economic recovery minus 30% of net income of [REDACTED], resulting in a net benefit amount of [REDACTED]. Department Exhibit 13-14.

In addition, the Claimant was a recipient of MA. Based on the Claimant's income of [REDACTED] from Social Security with a [REDACTED] unearned income general exclusion for a net earned income of [REDACTED], the Claimant had excess income for MA Ad Care where the income limit was [REDACTED]. Department Exhibit 9. As a result of their excess income for MA AD-Care, the Claimant and his wife were determined eligible for a MA Spenddown/Deductible case. They had Social Security income of [REDACTED]. After deductions of a [REDACTED] unearned income general exclusion and a protected income of [REDACTED], they had a deductible of [REDACTED] that they must meet before being eligible for MA. Department Exhibit 10.

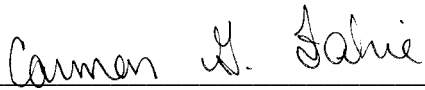
The Department has met its burden where the Claimant and his wife had excess income for FAP resulting in a decrease in FAP benefits from [REDACTED] to [REDACTED] and had excess income for MA AD-Care, which resulted in them being eligible for MA with a deductible of [REDACTED] that they must meet before being eligible for MA. RFT 240, 241,

250, 255, AND 260. BEM 210, 211, 212, 214, 233 A-C, 400, 500, 502, 505, 515, 518, 525, 530, 540, 541, 550, 554, and 556. BAM 130, 220, and 600.

The Administrative Law Judge, based upon 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 decrease in FAP benefits from [REDACTED] to [REDACTED] and a spenddown/deductible of MA of [REDACTED] as a result of excess income.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.


Carmen G. Fahie
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: February 12, 2014

Date Mailed: February 12, 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

201420826/CGF

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

CGF/aca

cc:

