

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

**IN THE MATTER OF:**



Reg. No.: 201422246  
Issue No.: 2001; 3001  
Case No.: [REDACTED]  
Hearing Date: February 11, 2014  
County: St Clair

**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 11, 2014, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], FIM.

**ISSUE**

Due to excess income, did the Department properly reduce Claimant's benefits for the Food Assistance Program (FAP) and Medical Assistance (MA)?

**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 30, 2013, the Department reduced Claimant's benefits due to excess income.
3. On December 30, 2013, the Department sent Claimant notice of its decision.
4. On January 8, 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 and MA benefits. The Claimant receives █████ in Social Security SSI benefits. Department Exhibit 10-12. In addition, the Claimant receives VA benefits of █████, which were previously not being budgeted because the income was not reported timely. Department Exhibit 14-15. The Claimant previously qualified for █████, which was the maximum of FAP benefits. Department Exhibit 18-19.

As a result of excess income, the Claimant had a decrease in FAP benefits. After deductions from his gross income of █████ of a █████ standard deduction for an adjusted gross income of █████. The Claimant was given a total shelter deduction of █████, resulting from a housing expense of █████ and heat and utility standard of █████. The Claimant was given an adjusted excess shelter deduction of █████, with a total shelter deduction of █████ minus 50% of adjusted gross income of █████. The Claimant had a net income of █████, which was the adjusted gross income of █████, minus the excess shelter deduction of █████. With a net income of █████, the Claimant qualified with a household group size of 1 for a maximum benefit of █████ plus █████ in economic recovery minus 30% of net income of █████, resulting in a net benefit amount of █████. Department Exhibit 4-6.

The Department has met its burden by proving that the Claimant had excess income for FAP resulting in a decrease in FAP benefits from █████ to █████. BEM 503, and 530.

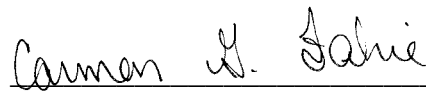
As a result of his excess income for MA AD-Care, the Claimant was determined eligible for a MA Spenddown/Deductible case. The Claimant had Social Security income of █████. After deductions of a █████ unearned income general exclusion and a protected income of █████, the Claimant had a deductible of █████ that he must meet before being eligible for MA. Department Exhibit 23.. BEM 544.

The Department has met its burden. The Claimant had excess income for MA AD-Care, which resulted in the Claimant being eligible for MA with a deductible of [REDACTED] that he must meet before being eligible for MA.

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 decreased Claimant's FAP benefits from [REDACTED] to [REDACTED] and judged Claimant as being eligible for MA with a deductible of [REDACTED] that he must meet before being eligible for MA 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 21, 2014

Date Mailed: February 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

201422246/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:

