

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-26705  
Issue No.: 2001; 3000  
Case No.: [REDACTED]  
Hearing Date: March 12, 2014  
County: Genesee #2

**ADMINISTRATIVE LAW JUDGE:** Susanne E. Harris

**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 March 12, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist, [REDACTED].

**ISSUE**

1. Did the Department properly take action to reduce the Claimant's monthly Food Assistance Program (FAP) allotment?
2. Did the Department properly take action to close the Claimant's Medical Assistance (MA) case?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Claimant was an ongoing recipient of monthly FAP benefits in the amount of \$ [REDACTED] and he was an active recipient of MA.
2. On February 4, 2014, the Department sent the Claimant a DHS-1605, Notice of Case Action informing the Claimant that his monthly FAP allotment was now reduced to \$ [REDACTED]

3. There is no DHS-1605, Notice of Case Action in evidence regarding the Department's action on the Claimant's MA case. The Department's ES testified that the Claimant's MA case closed in error and that [REDACTED], # [REDACTED] was submitted for the reestablishment of the Claimant's MA and determination of the Claimant's deductible.
4. On February 12, 2014, the Department received the Claimant's written hearing request protesting the reduction in his FAP allotment.

### **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.

During the hearing, the Claimant testified that he was perplexed as to the severe reduction in his monthly FAP allotment as nothing had changed in his personal circumstances. Furthermore, the Claimant protested that the Department completely closed his MA case. The Department's ES at the hearing conceded that the Claimant's MA case closed in error and he has been trying to rectify that situation by submitting the Bridges help desk ticket. The Department's ES at the hearing testified that the Claimant had [REDACTED] that had previously not been budgeted for his FAP case. It was not contested that the Claimant reported the income to the Department; however, the income was never counted in the Claimant's FAP case and his case has now been referred to a Recoupment Specialist as the Claimant has received an over issuance of FAP benefits.

Additionally, Bridges Eligibility Manual (BEM) 505 (2013) addresses prospective budgeting and income change processing. BEM 505 p. 1, provides that a group's benefits for a month are based, in part, on a prospective income determination. The Department's ES is to determine the best estimate of income expected to be received by the group during a specific month and use that estimate in the budget computation.

In this case, it is not contested that the Department's ES did not budget the Claimant's life insurance income for several months. As a portion of the income was not budgeted, this Administrative Law Judge concludes that the Department did not act in accordance with Departmental policy when initially determining the Claimant's monthly FAP allotment. As of February 4, 2014, the Department has rectified its error and counted all of the Claimant's income. This resulted in the Claimant's monthly FAP allotment being reduced to \$ [REDACTED]

During the hearing, the Claimant did not contest the amounts of income or shelter deduction in his FAP budget. A close review of the FAP budget reveals that the Department was acting in accordance with Departmental policy when it took action to reduce the Claimant's monthly FAP allotment. Based on the testimony of the ES at the hearing, this Administrative Law Judge concludes that the Department was not acting in accordance with Departmental policy when closing the Claimant's MA case when he remained eligible for MA benefits.

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 took action to reduce the Claimant's monthly FAP allotment.  did not act in accordance with Department policy when it took action to close the Claimant's MA case.

### **DECISION AND ORDER**

Accordingly, the Department's decision is  **AFFIRMED IN PART** with respect to the Department's FAP decision and **REVERSED IN PART** with respect to the Department's MA decision.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Redetermine the Claimant's eligibility for MA back to the date it closed, and
2. Issue the Claimant any supplement he may thereafter be due, and

3. Bridges help desk ticket #BR0050488 is to be expedited to effectuate the Department's compliance with this order.



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Susanne E. Harris  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 3/20/14

Date Mailed: 3/21/14

**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 Claimant;
- 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.

2014-26705/SEH

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

SEH/tb

cc:

