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

#### IN THE MATTER OF:



Reg. No.: Issue No(s).: Case No.: Hearing Date: County: 2014 29729 3008, 4001

March 26, 2014 Wayne (15)

#### ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

#### **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 March 26, 2014, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant and Claimant's wife, who appeared as a witness and the Claimant's Authorized Hearing Representative. Participants on behalf of the Department of Human Services (Department) included

### <u>ISSUE</u>

Due to excess income, did the Department properly  $\boxtimes$  deny the Claimant's application  $\square$  close Claimant's case  $\square$  reduce Claimant's benefits for:

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Family Independence Program (FIP)?

Food Assistance Program (FAP)?Medical Assistance (MA)?

Adult Medical Assistance (AMP)?

State Disability Assistance (SDA)?

Child Development and Care (CDC)?

Did the Department properly calculate the Claimant's Food Assistance 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.	Claiman	Claimant 🖂 applied for 🗌 received:							
	🗌 FIP	FAP	MA	AMP	🛛 SDA				
	benefits.								

- On February 16, 2014, the Department ⊠ denied Claimant's application
  □ closed Claimant's case □ reduced Claimant's benefits due to excess income.
- 3. At the time of the hearing the Claimant's application for Medical Assistance was pending and was still at the Medical Review Team for consideration; thus, there was nothing to be decided regarding the Medical Assistance Application.
- 4. On January 29, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
- 5. On February 20, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) 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.

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, the Department presented an SDA budget which demonstrated that the Claimant's gross income for his group was \$2079 and therefore the income exceeded the SDA income limit of \$315. This program is for very low income individuals, and thus the Department properly denied the application for SDA. Exhibit 2 and Exhibit 3.

A review of the Claimant's FAP budget was also conducted at the hearing. The Department did not include the Claimant's spouse's Part B premium and did not seek verification regarding ongoing medical expenses when calculating the Claimant's food assistance. Based upon the Claimant's spouse's testimony that she does pay Part B,

the Department is required to redetermine and recalculate the Claimant's FAP benefits and shall include any medical insurance premiums and ongoing medical expenses. The Department knew at application that Claimant's wife receives RSDI and thus this FAP group is an SDV group and whether there were ongoing medical expenses and Part B premiums paid should have been at the time of application. Based upon this review and the evidence presented at the hearing, it is determined that the Department did not correctly calculate the Food Assistance benefit amount.

At the time of the hearing the Claimant's application for Medical Assistance was still pending for review at the Medical Review Team, thus there was no issue to be decided at the time of the hearing as the application was still pending. Therefore the request for hearing regarding medical assistance is not ripe for a hearing and is dismissed. The Claimant may request a hearing if the application is subsequently denied.

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 denied the Claimant's application for SDA cash assistance due to the group income exceeding the income limit for SDA.
- ☐ did not act in accordance with Department policy when it calculated the FAP benefits and did not include medical expenses and the Medicare Part B premium.

### DECISION AND ORDER

Accordingly, the Department's decision is

AFFIRMED IN PART with respect to denial of the SDA application and REVERSED IN PART with respect to the calculation of the Food Assistance benefit amount.

The Claimant's request for hearing with respect to his Medical Assistance application is DISMISSED for the reason the application is still pending and no final action has been taken on the application.

- 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. The Department shall recalculate the February 2014 Food Assistance benefit and shall include the Medicare Part B premium, if applicable, and shall also verify whether ongoing medical expenses should be included in the FAP benefit calculation. The Department shall consider the group as a FAP SDV group because the Claimant's spouse receives RSDI.

2. The Department shall issue a FAP supplement for February 2014, if any is applicable for FAP benefits the Claimant was otherwise entitled to receive in accordance with Department policy.

Lynn M. Ferris Administrative Law Judge for Maura Corrigan, Director Department of Human Services

Date Signed: April 1, 2014

Date Mailed: April 1, 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

LMF/cl

# 2014-29729/LMF

cc:

