

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201427241  
Issue No.: 2001, 3008  
Case No.: [REDACTED]  
Hearing Date: March 13, 2014  
County: Genesee County DHS #2

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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 13, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] [REDACTED] and [REDACTED] [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] [REDACTED].

**ISSUE**

Whether the Department of Human Services (Department) properly determined the Claimant's Medical Assistance (M.A.) and Food Assistance Program (FAP) eligibility?

**FINDINGS OF FACT**

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

1. The Claimant is an ongoing Medical Assistance (M.A.) and Food Assistance Program (FAP) recipient.
2. On February 13, 2014, the Department notified the Claimant that he was approved for Medical Assistance (M.A.) with a deductible and for a reduced allotment of Food Assistance Program (FAP) benefits based on his earned income.
3. The Department received the Claimant's request for a hearing on February 11, 2014, protesting the use of his earned income to determine his eligibility for benefits.

**CONCLUSIONS OF LAW**

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 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.

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (July 1, 2013).

The Claimant was an ongoing Medical Assistance (M.A.) and Food Assistance Program (FAP) recipient when the Department requested that he provide verification of his earned income. On February 13, 2014, the Department notified the Claimant that as a result of his earned income, that a deductible would apply to his Medical Assistance (M.A.) benefits, and that his Food Assistance Program (FAP) would be reduced.

The Claimant argued that he fits the definition of a Disabled Adult Child (DAC) as defined by Department policy in Department of Human Services Bridges Eligibility Manual (BEM) 158. As a Disabled Adult Child, the Claimant would be entitled to have his earned income excluded from the determination of his Medical Assistance (M.A.) eligibility.

The Disabled Adult Child category of Medical Assistance (M.A.) is available for Supplemental Security Income (SSI) recipients that were found to be disabled by the Social Security Administration before 18 years of age. In this case, Social Security Administration records indicate a disability onset date after the Claimant turned 18 years old.

Since the Disabled Adult Child category is available to Supplemental Security Income (SSI) recipients, and the final determination of the Social Security Administration is considered a final and binding disability determination under Department of Human Services Bridges Eligibility Manual (BEM) 260, the Claimant is not eligible for these benefits as a Disabled Adult Child.

If the Claimant disputes the onset date of his disability, his recourse is to appeal the determinations of the Social Security Administration.

Since the Claimant is not entitled to exclusion of his earned income as a Disabled Adult Child, his earnings are countable towards his Medical Assistance (M.A.) and Food Assistance Program (FAP) benefits. Based on the evidence and testimony available during the hearing, the Department has established that it was acting in accordance with policy when it applied a deductible to the Claimant's Medical Assistance (M.A.) and reduced his Food Assistance Program (FAP) allotment.

**DECISION AND ORDER**

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 applied a deductible to the Claimant's Medical Assistance (M.A.) and reduced his Food Assistance Program (FAP) benefits.

Accordingly, the Department's decision is **AFFIRMED**.



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Kevin Scully  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: March 21, 2014

Date Mailed: March 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;

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- 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

KS/hj

cc:

