

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-000809
Issue No.: 2001, 3001
Case No.: [REDACTED]
Hearing Date: May 14, 2014
County: WAYNE-DISTRICT 17

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 May 14, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED], Claimant's son and Interpreter. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Worker.

ISSUE

Did the Department properly close Claimant's Medical Assistance (MA) benefits?

Did the Department properly calculate Claimant's eligibility for Food Assistance Program 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 is an ongoing MA and FAP recipient.
2. Claimant has a group size of seven.
3. Claimant and four members of his group received Retired Survivors Disability Income.

4. On March 26, 2014, as a result of a system update, the Department issued a Notice of Case Action notifying Claimant that his MA benefits would close for the entire group and that his FAP benefits would end as a result of excess income; both effective May 1, 2014.
5. On April 1, 2014, Claimant filed a Request for Hearing disputing 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), 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 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

MA

Additionally, the Claimant requested a hearing because the Department sent Claimant a Notice of Case Action indicating MA benefits for the entire group would close effective May 1, 2014. The Department testified that the Notice of Case Action was generated as the result of a system update. The Department confirmed that the Notice of Case Action was sent in error and that MA benefits should not have been closed for the entire group. Claimant reapplied for MA benefits on April 22, 2014 and has been approved with a deductible. Claimant indicated that he disagreed with the amount he was required to pay as a deductible. Because the deductible resulted from the April 22, 2014 application and occurred after Claimant requested a hearing, the decision will not address whether the Department properly calculated the deductible amount.

FAP

Claimant indicated that he also requested a hearing because he believed that his FAP benefits were not sufficient to allow him to meet his financial obligations. The Department presented a budget regarding Claimant's benefits effective May 1, 2014. Claimant has a group size of seven. Claimant, his wife and three of his children receive Retired Survivors Disability Income (RSDI). The budget contained an unearned income amount of [REDACTED]0. At the time Claimant requested the hearing, the group received the following unearned income:

Claimant	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

The Department confirmed that Claimant's wife previously received \$ [REDACTED] in Social Security Income (SSI) which ended in February 2014. Notwithstanding this, the Department calculated the SSI income when determining Claimant's benefits effective May 1, 2014. The additional SSI income would have taken the total unearned income for the household to [REDACTED]. The Department was unable to articulate why the budget was calculated using [REDACTED] as the total unearned income for the group. Further, the Department failed to include an Excess Shelter Deduction budget even though it acknowledged receipt of Claimant's shelter expenses. Therefore, it is found that the Department failed to properly calculate the group's unearned income and include the appropriate shelter deduction and as such did not properly determine Claimant's eligibility for FAP benefits.

Claimant testified that he is disabled and has ongoing medical expenses but indicated that he has not forwarded any receipts to the Department. The Department included a medical deduction in the amount of [REDACTED] but was unable to articulate the basis for the deduction.

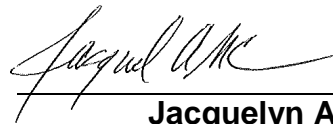
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it closed MA benefits for Claimant's entire group and when it calculated Claimant's eligibility for FAP benefits.

DECISION AND ORDER

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

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. Reinstate Claimant's MA benefits effective May 1, 2014; ongoing;
2. Issue any MA supplements Claimant was eligible to receive but did not from May 1, 2014, ongoing;
3. Recalculate Claimant's eligibility for FAP benefits; and
4. Notify Claimant in writing of its decision.



Jacquelyn A. McClinton
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **5/23/2014**

Date Mailed: **5/23/2014**

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

JAM/cl

cc:

