

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-008747  
Issue No.: 2001, 3002  
Case No.: [REDACTED]  
Hearing Date: September 4, 2014  
County: Genesee-District 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 September 4, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] [REDACTED] and his authorized hearings representative [REDACTED] [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] [REDACTED].

**ISSUE**

Did the Department properly determine the Claimant's Food Assistance Program (FAP) and Medical Assistance (MA) eligibility?

**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 is an ongoing Medical Assistance (MA) recipient.
2. The Claimant applied for Food Assistance Program (FAP) benefits on May 9, 2014.
3. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED].
4. On May 26, 2014, the Department notified the Claimant that he was approved for an allotment of Food Assistance Program (FAP) benefits in the amount of \$ [REDACTED] effective May 9, 2014, and \$ [REDACTED] effective June 1, 2014.
5. On July 23, 2014, the Department notified the Claimant that he was approved for an allotment of Food Assistance Program (FAP) benefits in the amount of \$ [REDACTED] effective September 1, 2014.

6. On May 28, 2014, the Department received the Claimant's request for a hearing, protesting the amount of Food Assistance Program (FAP) and Medical Assistance (MA) benefits he was approved for.

### **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.

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, 2014).

The Claimant is an ongoing Medical Assistance (MA) recipient and applied for Food Assistance Program (FAP) benefits as a group of one on May 9, 2014. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED]. The Claimant's adjusted gross income of \$[REDACTED] was determined by subtracting the \$[REDACTED] standard deduction from his total monthly income. The Claimant did not provide verification of his monthly shelter expenses at the time of his application. Therefore, the Claimant's net income was the same as his adjusted gross income for May of 2014. A group of one with a net income of \$[REDACTED] is entitled to a monthly \$[REDACTED] allotment of Food Assistance Program (FAP) benefits, and benefits of \$[REDACTED] for May were prorated based on his May 9, 2014, application date.

On May 27, 2014, the Claimant provided verification of a monthly \$[REDACTED] rent expense, a prorated monthly \$[REDACTED] housing insurance expense, and a countable medical expense of \$[REDACTED]. The Claimant is entitled to deduct medical expenses over \$[REDACTED] from his total monthly income, which reduced his adjusted gross income to \$[REDACTED]. The Claimant is entitled to verified excess shelter expenses of \$[REDACTED] which were determined by adding his insurance expense to his rent expense and subtracting 50% of his adjusted gross income. The Claimant's updated net income of \$[REDACTED] was determined by subtracting his excess shelter deduction from his adjusted gross income. A group of one with a net


income of \$ [REDACTED] is entitled to a \$ [REDACTED] allotment of Food Assistance Program (FAP) benefits.

A review of Claimant's case reveals that the Department budgeted correct amount of income received by the Claimant. Claimant's "protected income level" is \$ [REDACTED] and this amount cannot be changed either by the Department or by this Administrative Law Judge. Department of Human Services Reference Table Manual (RFT) 240 (December 1, 2013), p 1. The deductible was determined by subtracting the protected income level from his total income. Department's determination that the Claimant has an \$ [REDACTED] deductible per month he must meet in order to qualify for MA for any medical expenses above is therefore correct.

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 determined the Claimant's Food Assistance Program (FAP) and Medical Assistance (MA) benefits.

### **DECISION AND ORDER**

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

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

Date Signed: **9/8/2014**

Date Mailed: **9/8/2014**

KS/las

**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

cc:

