

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

IN THE MATTER OF:

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Reg. No.: 14-010140
Issue No.: 2001;3008
Case No.: ██████████
Hearing Date: September 18, 2014
County: WAYNE-DISTRICT 76

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 18, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████, Family Specialist and ██████████ PATH Coordinator/Hearings Facilitator.

ISSUE

Did the Department properly process Claimant's Medical Assistance (MA) benefits and calculate the amount of her Food Assistance Program (FAP) 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's daughter was an ongoing recipient of MA benefits.
2. Claimant was an ongoing recipient of FAP benefits.
3. On August 4, 2014, the Department sent Claimant a Notice of Case Action informing her that effective September 1, 2014, her FAP benefits would be decreased to \$35 monthly. (Exhibit 3)
4. Claimant did not agree with the Department's calculation of her FAP benefits for August 2014 and September 2014.
5. On August 6, 2014, Claimant submitted a hearing request 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).

MA

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.

Claimant submitted a hearing request disputing the Department's actions with respect to her daughter's MA benefits. Claimant stated that she received a notice from the Department informing her that her daughter's MA benefits would be terminated on or before her birthday in May 2014. At the hearing, the Department testified that Claimant's daughter had active and ongoing MA benefits and that there had been no lapse in her coverage. The Department presented an MA EDG Summary for each month from April 2014 through September 2014, showing that Claimant's daughter had active, full coverage MA benefits. (Exhibits 1 and 2). Therefore, the Department acted in accordance with Department policy when it processed Claimant's daughter's MA benefits.

FAP

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.

Claimant submitted a hearing request disputing the Department's calculation of her FAP benefits for the months of August 2014 and September 2014. There was conflicting testimony presented concerning the amount of FAP benefits issued to Claimant for August 2014 and September 2014. Claimant stated that she received \$545 in FAP benefits for August 2014; however, the Benefit Summary Inquiry shows that Claimant was issued \$636 for August 2014. (Exhibit 7). Also, the Notice of Case Action provided shows that Claimant was approved for FAP benefits in the amount of \$35 beginning September 1, 2014; however, the Benefit Summary inquiry indicates that she was issued \$636. It was unclear from the evidence presented what amount of FAP benefits

the Department determined that Claimant was eligible to receive for the months at issue, as there was also testimony provided that Claimant continued to receive her FAP benefits at the former approved amount, pending the outcome of the hearing.

At the hearing, the Department attempted to explain how Claimant's FAP benefits were calculated for August 2014 and September 2014, and provided FAP EDG Net Income Results budgets for each month. (Exhibits 4 and 6).

The Department testified that in calculating Claimant's FAP benefits for August 2014, it determined that she had unearned income in the amount of \$1953, which came from \$939.90 in RSDI benefits for Claimant, as well as \$94 in RSDI benefits for each of Claimant's five children. BEM 500 (July 2014), pp. 1-4; BEM 503 (July 2014), pp. 28-32. The Department stated that according to the SOLQs which were presented at the hearing, two of Claimant's sons also received SSI benefits; however, the Department remained unable to explain whether these amounts were considered in the calculation of unearned income for August 2014. (Exhibit 5). After further review, the amounts relied on by the Department to calculate the unearned income do not total \$1953, as determined by the Department.

With respect to the calculation of Claimant's FAP benefits for the month of September 2014, the Department determined that Claimant's group had unearned income of \$2731. (Exhibit 6). The Department testified that in calculating Claimant's unearned income, it included \$939.90 in RSDI benefits for Claimant, \$94 in RSDI benefits for each of Claimant's five children, as well as \$574.90 in SSI for one of Claimant's sons and \$647 in SSI for Claimant's other son. BEM 503, pp. 28-32. After further review, the amounts relied on by the Department to calculate the unearned income do not total \$2731, as determined by the Department.

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 because of the errors in the calculation of Claimant's unearned income and the inconsistent evidence presented, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined the amount of Claimant's FAP benefits.

DECISION AND ORDER

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

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. Recalculate Claimant's FAP budget for August 2014, and September 2014, ongoing; and
2. Issue FAP supplements to Claimant in accordance with Department policy for August 2014, ongoing.



Zainab Baydoun
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **9/26/2014**

Date Mailed: **9/26/2014**

ZB / cl

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.

