

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

IN THE MATTER OF:



Reg. No.: 14-004103
Issue No.: 3000; 2001
Case No.: [REDACTED]
Hearing Date: July 9, 2014
County: SSPC-WEST

ADMINISTRATIVE LAW JUDGE: William A. Sundquist

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 3-way telephone hearing was held on July 9, 2014, from Lansing, Michigan. Participants included Claimant, and on behalf of Claimant, included a Spanish Interpreter. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Due to excess income, did the Department properly close Claimant's Food Assistance Program (FAP) and MA-P Program?

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 applied for FAP benefits on May 2, 2014, and was denied FAP benefits on May 15, 2014, due to excess income.
2. On May 16, 2014, the Department closed Claimant's MA-P case due to excess annual income.
3. On May 16, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
4. On May 23, 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 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 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.

Additionally, on May 16, 2014, the DHS gave Claimant notice of case action ineligibility based on an "annual income" of [REDACTED] with the following reason: Net income exceeds limit pursuant to BEM 550,554, 556.

Notices of negative case shall include the reasons for the intended action...R 400.902 (1)(b).

In this case, both parties agreed that the Claimant had accumulated less than the annual income amount for the MA-P Program. The DHS argued that policy provides for determination of income based on "projected annual income." The Claimant argued that if she should die early, she would never reach the projected income level.

This ALJ finds that the negative case action notice did not state the reason for the action in clear and understandable language. It should have referenced "projected annual income" so that there was no misunderstanding on the part of the Claimant.

Therefore, this ALJ finds inadequate case action notice.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Claimant's MA case.

The hearing was also requested to dispute the Department's action taken with respect to the FAP program benefits. Shortly after commencement of the hearing, Claimant or Claimant's Authorized Hearing Representative (AHR) testified that he/she now understood the actions taken by the Department and did not wish to proceed with the

hearing in regards to FAP. The Request for Hearing was withdrawn. The Department agreed to the dismissal of the request.

Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing is, hereby, **DISMISSED** in regard to the FAP program benefits.

IT IS SO ORDERED

DECISION AND ORDER

Accordingly, the Department's MA-P decision is partially **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 the Claimant's MA-P and comply with negative case action notice requirements in understandable terms as mentioned above for the MA-P in accordance with DHS policy requirements.



William A. Sundquist
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **7/21/2014**

Date Mailed: **7/21/2014**

WAS / jf

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:

