

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-008232
Issue No.: 3008
Case No.: [REDACTED]
Hearing Date: September 4, 2014
County: MACOMB-12

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 04, 2014, from Clinton Twp., Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly reduce and calculate the Claimant's Food Assistance (FAP) allotment?

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 food assistance recipient. The Department decreased the Claimant's food assistance allotment to [REDACTED] monthly by Notice of Case Action effective August 1, 2014.
2. The Claimant met a medical assistance deductible in February 2014, incurring medical expenses placed in her FAP budget in the amount of [REDACTED], which continued ongoing through July 2014 even though the expense was not ongoing. Exhibit 4
3. The Claimant receives RSDI in the amount of \$ [REDACTED] and child support in the amount of [REDACTED]. The Department computed the monthly gross income for the Claimant to be \$ [REDACTED]. Exhibit 4

4. The Claimant has ongoing medical expenses for Medicaid Part B premium in the amount of [REDACTED] and a Humana health premium of [REDACTED].
5. The Claimant's rent is [REDACTED] per month.
6. The Claimant requested a hearing protesting the reduction of her food assistance on July 30, 2014.

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.

Additionally, at the hearing the Department presented a current food assistance budget which included the correct unearned income in the amount of \$[REDACTED]. The Claimant was concerned that the Department should have used net income from her RSDI, however as explained at the hearing, the gross income received is the amount that must be included in the budget. Based on the amount of the RSDI and child support received, the Department correctly calculated the unearned income. It was also confirmed at the hearing that the rent in the amount of [REDACTED], as included in the budget by the Department, was correct. The only issue that remained was whether the Department correctly interpreted Department policy regarding outstanding medical bills which the Claimant sought to have been included as ongoing medical expenses.

A series of medical bills submitted by the Claimant in June 2014 covering the period four months prior to the current budget showed that the bills were part of a payment arrangement to pay down a balance arrearage. The Department's position was that the bills as presented were not current and thus could not be included as ongoing medical expenses. BEM 554 requires the Department to estimate a person's medical expense when calculating the FAP benefits. When calculating FAP benefits, policy provides that the expense does not have to be paid to be allowed. Medical expenses should be included if ongoing expenses when verification of the portion paid or to be paid are provided. The Department may only allow the nonreimbursable portion of a medical expense and the medical bill cannot be overdue.

The medical bill is **not** overdue if one of the following conditions exist:

1. the bill is currently incurred (for example, in the same month, ongoing, etc.);
2. currently billed (client is receiving the bill for the first time for medical expense provided earlier and the bill is not overdue); and
3. the client made a payment arrangement **before** the medical bill became overdue.

After a review of all of the bills submitted to the Department by the Claimant to be included as ongoing medical expenses, it is determined that all of the bills were overdue when submitted or the payment arrangement was made after the bill became overdue. There was no evidence that any of the bills had been previously submitted when current. As explained to the Claimant at the hearing, she may submit current medical bills, even those which she must make a payment arrangement, as long as those bills are not past due at the time she submits them to the Department.

Therefore, based upon the evidence provided at the hearing by the Department, and the testimony of both the Department and the Claimant at the hearing, it is determined that the food assistance budget as calculated by the Department, which decreased the Claimant's benefits to [REDACTED] per month, is correct. The Department properly declined to include the medical bills submitted as ongoing medical expenses. BEM 554, pp. 11 (10/1/14).

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 calculated the Claimant's food assistance allotment to be \$15, correctly reduced the FAP benefit and correctly declined the past-due medical expenses in the food assistance budget medical expense.

DECISION AND ORDER

Accordingly, the Department's decision is

☒ AFFIRMED.



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

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

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

LMF/tm

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:

