

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-015835  
Issue No.: 3008  
Case No.: [REDACTED]  
Hearing Date: December 16, 2014  
County: Kent-District 1

**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 December 16, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED], [REDACTED] and [REDACTED].

**ISSUE**

Did the Department properly determine the Claimant's Food Assistance Program (FAP) benefit level?

**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 Program (FAP) recipient.
2. The Claimant has been receiving Medicare Savings Plan (MSP) benefits since July 1, 2014.
3. On October 29, 2014, the Department notified the Claimant that it would reduce his monthly allotment of Food Assistance Program (FAP) benefits to \$ [REDACTED] as of October 1, 2014.
4. On November 7, 2014, the Department received the Claimant's request for a hearing protesting the reduction of his Food Assistance Program (FAP) benefits.

### **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 Department will apply the medical expenses of senior/disabled/veteran (SDV) persons in an eligible Food Assistance Program (FAP) group based on allowable medical expenses including Medicare premiums. Department of Human Services Bridges Eligibility Manual (BEM) 554 (October 1, 2014), pp 8-10.

In this case, the Claimant is an ongoing Food Assistance Program (FAP) recipient. The Claimant began receiving Medicare Savings Plan (MSP) benefits on July 1, 2014. These benefits reduced the Claimant's obligation to pay Medicare premiums and reduced the allowable expenses when considering his eligibility for the Food Assistance Program (FAP).

These medical expense obligations were not removed from the Claimant's Food Assistance Program (FAP) budget until October 1, 2014. Whether this created an overissuance of benefits is not an issue to be settled by this hearing.

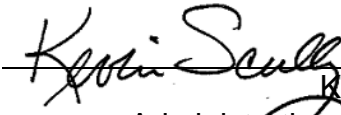
The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED]. Another member of the Claimant's benefit group receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED]. The Claimant's adjusted gross income of \$[REDACTED] was determined by subtracting the \$[REDACTED] standard deduction from his total gross monthly income. This amount was previously reduced by allowable medical expenses before his Medicare premium was covered by Medicare Savings Plan (MSP) benefits. The Claimant's excess shelter deduction of \$[REDACTED] was determined by adding his monthly shelter expenses of \$[REDACTED] to the \$[REDACTED] standard heat and utility deduction, then subtracting 50% of his adjusted gross income.

The Claimant's net income of \$[REDACTED] was determined by subtracting his excess shelter deduction from his adjusted gross income. A group of three with a net income of \$[REDACTED] is entitled to a \$[REDACTED] monthly allotment of Food Assistance Program (FAP) benefits.

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 reduced his Food Assistance Program (FAP) due to the elimination of his allowable medical expense obligation.

**DECISION AND ORDER**

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

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

Date Signed: **12/18/2014**

Date Mailed: **12/18/2014**

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:

