

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2014 22894
Issue No.: 2001, 3008
Case No.: [REDACTED]
Hearing Date: February 13, 2014
County: Wayne (55)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

Following the Claimant's request for hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on February 13, 2014 from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. [REDACTED] the Claimant's Authorized Hearing Representative also appeared on Claimant's behalf and served as an interpreter. Participants on behalf of the Department of Human Services (Department) included [REDACTED] ES Medical Contact Worker.

ISSUE

Due to income, did the Department properly deny the Claimant's application close Claimant's case calculate Claimant's benefits for:

- | | |
|---|---|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Medical Assistance (MA) Deductible? | <input type="checkbox"/> Child Development and Care (CDC)? |

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 benefits for Medical Assistance for his wife Kamlah Aliashi and not himself and also for FAP and : received benefits for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP). | <input type="checkbox"/> Adult Medical Assistance (AMP). |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP). | <input type="checkbox"/> State Disability Assistance (SDA). |
| <input checked="" type="checkbox"/> Medical Assistance (MA). | <input type="checkbox"/> Child Development and Care (CDC). |

2. On January 8, 2014 the Department imposed a \$475 deductible on the Claimant's wife [REDACTED] based on her Gp2 Fip related Medical Assistance.
3. The Claimant receives RSDI in the amount of \$975 and his minor son who lives with him receives \$389 based upon his father's RSDI. The total income for the group is \$1364. Exhibit 1
4. On January 8, 2014 the Department issued a Notice of Case Action imposing a deductible on Claimant's wife [REDACTED] Exhibit 5
5. The Claimant received \$163 in Food Assistance in January 2014.
6. On January 15, 2014 Claimant or Claimant's AHR filed a hearing request,
 denial of the application. closure of the case. reduction of benefits
 requesting a hearing to determine how his benefits for FAP and Medical deductible were calculated.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1999 AC, Rule 400.3001 through Rule 400.3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

Calculation of Food Assistance Benefits

Additionally, at the hearing a thorough review of the Claimant's FAP budget was conducted on the record and the Department explained in detail how the amount of income based on RSDI received by Claimant in the amount of \$975 and his son in the amount of \$389 were determined and the correct formula was applied. The Claimant confirmed the amount of income as correct at the hearing. Exhibits 1 and 2. The Claimant also confirmed that the correct amount was used by the Department for homeowner's insurance and property taxes, and that the monthly expense of \$122 for these items was properly calculated and that no mortgage payment was paid. The shelter expense also included the correct utility allowance of \$553 and thus the budget as reviewed and explained and the calculation to determine the excess shelter amount of \$72 was determined to be correct. Exhibits 5 and 6. Based upon the evidence presented it is determined that the Department properly calculated the Claimant's January 2014 Food Assistance benefits.

Calculation of Medical Assistance Deductible

The Claimant also receives medical assistance and requested an explanation how the medical assistance deductible was calculated. At the hearing the budget was not reviewed nor was an explanation of the Gp2FIP related budget provided. The Department did not review the calculation but relied on the Bridges system calculation.

Based on the evidence produced the Department did not sustain its burden of proof. The budget discussed and presented at the hearing was not provided to the undersigned until after the hearing and thus no review could be made at the time of the hearing. The budget to determine the medical deductible is determined based upon a series of steps found in Department of Human Services Bridges Eligibility Manual, (BEM) 536 (1/2013).

At the hearing the Claimant testified that he had 1 minor child and a spouse (wife) living with him; thus, for purposes of the determining the medical deductible the Claimant had 2 dependents. The fiscal group members were 2, the Claimant and his spouse. The group income which should have been used to calculate the deductible is the Claimant's RSDI in the amount of \$975 and the Claimant's son's income should not have been included as he is not part of the fiscal group. BEM 536 requires that a fiscal group be established for each person requesting MA. As per BEM 211 the fiscal group for Group 2 Fip related MA is the Claimant and his spouse and thus only the Claimant's income should be considered in determining the deductible and not the minor child, son's income. Based upon the evidence provided the only unearned income amount that could be considered by the Department was the Claimant's RSDI in the amount of \$975. Therefore applying the formula that income should be used. A review of the budget using \$975 in income does not result in the spouse's prorated Income as \$250. The protected income level of \$500 is correct as is the Fiscal Group size of two. As no explanation of how the deductible was determined was provided it is also unclear what pro rate divisor was used to calculate the deductible.

Based upon this review it is determined that the deductible as determined by the Department is incorrect and must be recalculated using the correct income and then to determine the correct adult's share of Adult's prorated income. BEM 536 (7/1/13).

Based upon this review it is determined that the Food Assistance benefits of \$163 as calculated for the period January 1, 2014 is correct.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that, due to income, the Department

properly calculated Claimant's FAP benefits
 improperly calculated the Claimant's deductible
for: AMP FIP FAP MA SDA CDC.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

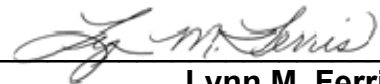
- did act properly in calculating the FAP benefits
- did not act properly in calculating the Claimant's deductible.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is

- AFFIRMED with regard to the calculation of FAP benefits
- REVERSED for the reasons set forth above as the MA deductible budget appears incorrect.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall recalculate the Claimant's MA deductible amount to determine the correct amount in accordance with Department policy and the findings in this Decision regarding fiscal group size, dependents and income shall be used.



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

Date Signed: February 21, 2014

Date Mailed: February 21, 2014

NOTICE OF APPEAL: The claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely Request for Rehearing or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

Michigan Administrative Hearing System (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request (60 days for FAP cases).

A Request for Rehearing or Reconsideration may be granted 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 Department, AHR or the claimant 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 the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

2014-22894/LMF

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

LMF/tif

cc:

