

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201428109
Issue No(s): 2001, 3001
Case No.: [REDACTED]
Hearing Date: March 19, 2014
County: Macomb County DHS #36

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 March 19, 2014, from Lansing, Michigan. Participants on behalf of Claimant included himself, his son [REDACTED] [REDACTED] and their friend Mr. [REDACTED]. Participants on behalf of the Department of Human Services (Department) included ES Wildon, Hearing Facilitator [REDACTED] and translator [REDACTED].

ISSUE

Did the Department properly close [REDACTED] Medical Assistance (MA) due to excess assets beginning March 1, 2014?

Did the Department of Human Services properly close Claimant's Food Assistance Program (FAP) due to excess assets beginning March 1, 2014?

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 and his son were ongoing recipients of Medical Assistance (MA) and Food Assistance Program (FAP) benefits.
2. On November 24, 2012, [REDACTED] [REDACTED] turned 19 years old and was transferred to G2U Medical Assistance (MA) coverage.
3. In January 2014, an audit was conducted on Claimant's assistance programs. The audit examined June 2013. It was discovered that [REDACTED] money market account contained \$ [REDACTED] had not been properly recorded in BRIDGES, and had not been included in the eligibility determinations for Claimant's benefit group.

4. On February 6, 2014, Claimant was sent a Notice of Case Action (DHS-1605) which stated that Claimant's Food Assistance Program (FAP) was closed due to excess assets and that [REDACTED] G2U Medical Assistance (MA) coverage was closed due to excess assets.
5. On February 19, 2014, Claimant submitted a request for hearing.

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 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

In this case the \$ [REDACTED] June 2013 balance in Sam's account was not included in the financial eligibility budget for his G2U Medical Assistance (MA) or the family's Food Assistance Program (FAP) benefits. Sam's asset limit for G2U MA was \$3,000. The asset limit for Food Assistance Program (FAP) is \$5,000.

The evidence in the record does establish that Sam's assets made him ineligible for Medical Assistance (MA) in June 2013 and Claimant's benefit group ineligible for Food Assistance Program (FAP) benefits in June 2013. However, the Departmental action being reviewed in this hearing is closure of the programs 8 months later in February 2014.

There is no evidence in the record showing that the group had excess assets from June 2013 up to and including February 2014. Department of Human Services Bridges Administration Manual (BAM) 320 Department Audits (2013) does not provide specific direction to the local office regarding the audited program. Page 5 does state that "if a recoupment action is required, a copy of the DHS-4701, Overissuance Referral must be included when submitting the DHS-191 Response to Office of Quality Assurance Quality Control Review Error is submitted.

Department of Human Services Bridges Administration Manual (BAM) 220 Case Actions (2014) contains direction for Case Closure on page 18. It states that when a recipient is no longer eligible all appropriate information is entered in BRIDGES to

document ineligibility. Verification sources are specified as appropriate information. AS stated earlier, there is no evidence in this record which shows Sam's money market account balance at the time of this proposed action.

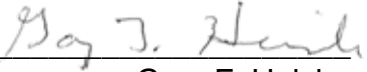
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed [REDACTED] Medical Assistance (MA) due to excess assets beginning March 1, 2014 or closed Claimant's Food Assistance Program (FAP) due to excess assets beginning March 1, 2014.

DECISION AND ORDER

Accordingly, the Department's decision is **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 Food Assistance Program (FAP) and G2U Medical Assistance (MA).
2. Obtain verification of the account at issue in accordance with Department of Human Services Bridges Administration Manual (BAM) 130 Verification and Collateral Contacts (2014).
3. Process the assistance programs in accordance with Department policy.



Gary F. Heisler
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 25, 2014

Date Mailed: March 25, 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:

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

GFH/hj

cc:

