

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.:  
Issue No.:  
Case No.:  
Hearing Date:  
County:

[REDACTED]

**ADMINISTRATIVE LAW JUDGE:** C. Adam Purnell

**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 [REDACTED] from Lansing, Michigan. Claimant personally appeared and provided testimony. Participants on behalf of the Department of Human Services (Department) included [REDACTED] (Assistance Payments Worker).

**ISSUES**

Did the Department properly determine Claimant's Food Assistance Program monthly allotment amount?

Did the Department properly determine Claimant's Medical Assistance (MA) deductible or spend down amount?

**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 and MA on [REDACTED].
2. Claimant, at all relevant times, received monthly gross unearned income from RSDI in the amount of [REDACTED].
3. On [REDACTED], the Department mailed Claimant a Notice of Case Action (DHS-1605) which, effective [REDACTED], approved Claimant's monthly FAP at \$ [REDACTED] and, effective [REDACTED], approved Claimant's MA for a deductible in the amount of [REDACTED].

4. On [REDACTED], Claimant requested a hearing to challenge the FAP amount and the MA deductible amount.

### **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).

#### **Food Assistance Program**

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.

Here, Claimant requested a hearing because the Department determined that he was eligible for a [REDACTED] monthly FAP allotment. The Department, on the other hand, takes the position that his monthly allotment amount was correct and was properly budgeted based on his income.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). The weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

The record reveals that Claimant's income was correctly budgeted. Claimant was receiving monthly unearned income from RSDI in the amount of [REDACTED] at the time relevant to this matter. Claimant's total monthly income of \$[REDACTED] which is reduced by a standard deduction of \$[REDACTED] and a medical deduction in the amount of \$[REDACTED] leaves an adjusted gross income of \$[REDACTED]. An excess shelter deduction of \$[REDACTED] was subtracted from Claimant's adjusted gross income of \$[REDACTED] resulting in Claimant receiving \$[REDACTED] in net income.

A claimant with a group size of 1 has a maximum net monthly income limit of \$[REDACTED] RFT 250. Because Claimant had a certified group size of 1 and a total countable monthly income of \$[REDACTED] the food issuance tables indicate that the proper monthly FAP allotment is \$[REDACTED]. See RFT 260.

**Medical Assistance**

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.

Deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. BEM 545, p 10 (7-1-2013). The fiscal group's monthly excess income is called a deductible amount. BEM 545, p 11 (7-1-2013).

Here, Claimant contends that his MA deductible is too high. The Department, on the other hand, alleges that Claimant's MA deductible was properly calculated based on his excess income. Claimant also stated that he Department failed to include some additional medical expenses. However, the Department showed that Claimant failed to provide verification of these expenses by the time the deductible was determined.

In the instant matter, the fiscal group member was 1 (Claimant). The total net income is \$ [REDACTED]. According to RFT 240, the protected income limit (PIL) is \$ [REDACTED]. The Department properly credited Claimant with \$ [REDACTED] for Medicare Part B Insurance Premiums which resulted in a new countable income of \$ [REDACTED]. The PIL subtracted from the net income is the remaining deductible. \$ [REDACTED] - \$ [REDACTED] = \$ [REDACTED]. BEM 536. The appropriate MA deductible amount is \$ [REDACTED].

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 determined Claimant's \$ [REDACTED] FAP monthly allotment and determined Claimant's \$ [REDACTED] MA deductible amount.

**DECISION AND ORDER**

Accordingly, the Department's decision regarding both the FAP and MA programs is **AFFIRMED**.

IT IS SO ORDERED.



**C. Adam Purnell**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: May 19, 2014

Date Mailed: May 20, 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

CAP/las

cc:

