

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-017761  
Issue No.: FAP, MA  
Case No.: [REDACTED]  
Hearing Date: January 15, 2015  
County: KENT-DISTRICT 1 (FRANKLIN)

**ADMINISTRATIVE LAW JUDGE:** Colleen Lack

**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 January 15, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED], the Claimant, [REDACTED] and [REDACTED], brother in law. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Hearing Facilitator. [REDACTED] provided interpretation.

**ISSUES**

Did the Department properly determine Medicaid (MA) eligibility for Claimant's MA group?

Did the Department properly determine Food Assistance Program (FAP) eligibility for Claimant's FAP group?

**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's MA group was receiving MA benefits.
2. On October 8, 2014, Claimant applied for FAP.
3. On October 10, 2014, a Notice of Case Action was issued to Claimant stating FAP was denied based on income in excess of program limits.
4. On October 22, 2014, Claimant notified the Department of the birth of a child that occurred on October 17, 2014.
5. On October 23, 2014, a Healthcare Coverage Determination Notice was issued indicating MA eligibility for Claimant and two other MA group members.

6. Claimant's MA group's eligibility for MA subsequently ended.
7. On December 1, 2014, Claimant filed a request for hearing contesting the Department's actions.

### **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).

#### **MA**

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, the Department has acknowledged that the MA eligibility for Claimant's MA group should be re-determined. At some point after the October 23, 2014, Healthcare Coverage Determination Notice was issued indicating MA eligibility for Claimant and two other MA group members, MA eligibility ended. In part, it appears that a re-determination was due, but there was an error regarding Claimant's address. Based on the Department's acknowledgement the MA eligibility should be re-determined, there is no need for this ALJ to further address MA eligibility issues.

#### **FAP**

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.

Stable and fluctuating income that is received more often than monthly is converted to a standard monthly amount. BEM 505.

For FAP, a non-categorically eligible non-Senior/Disabled/Veteran (non-SDV) FAP group must have income below the gross and net income limits. BEM 550. For a group size of three, the FAP gross income limit is \$ [REDACTED] and the net income limit is \$ [REDACTED]. RFT 250.

At the time Claimant's October 8, 2014, FAP application was processed, the group size was three. Based on the verification of Claimant's earnings, the countable net income was \$1,808. The Notice of Case Action was issued October 10, 2014, prior to the birth

of another child on October 17, 2014. Accordingly, the Department properly utilized a group size of three at the time of the October 10, 2014 determination. Claimant's FAP group was not eligible for FAP due to excess net income (\$ [REDACTED] based on the limit for the group size at that time (\$ [REDACTED]

There was insufficient evidence to establish that Claimant re-applied for FAP after the additional child was born. On October 22, 2014, Claimant notified the Department of the recent birth of another child, but there was not a new FAP application filed at that time.

If he has not already done so, Claimant may wish to re-apply for FAP with current information regarding income and group size.

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

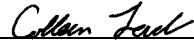
- acted in accordance with Department policy when it denied Claimant's October 8, 2014 FAP application based on excess income.
- did not act in accordance with Department policy when it .
- failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined MA eligibility for Claimant's family.

### **DECISION AND ORDER**

Accordingly, the Department's decision is

- AFFIRMED.**
- REVERSED.**
- AFFIRMED IN PART** with respect to the FAP denial and **REVERSED IN PART** with respect to MA eligibility determination.
- 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. Re-determine MA eligibility for Claimant's MA group retroactive to October 2014, in accordance with Department policy.
  2. Issue Claimant written notice of the MA eligibility determination(s) in accordance with Department policy.

3. Issue Claimant any supplement he may thereafter be due.



---

Colleen Lack  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **1/21/2015**

Date Mailed: **1/21/2015**

CL/hj

**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 48909-8139

cc:

