

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 15-011225  
Issue No.: 2001; 3001  
Case No.: [REDACTED]  
Hearing Date: August 13, 2015  
County: Oakland-District 3

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on August 13, 2015, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Health and Human Services (Department) included [REDACTED], Assisted Payment Supervisor.

**ISSUE**

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

**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 was a recipient of FAP and MA.
2. On February 12, 2015, the Claimant submitted a change report with a vehicle registration that resulted in additional information that showed that the Claimant's husband is the resident agent of a corporation. Department Exhibit 22-28.
3. On February 18, 2015, the Department sent the Claimant a Verification Checklist, DHS 3503, to the Claimant to provide self-employment verification by March 2, 2015. Department Exhibit 1.
4. On March 3, 2015, the Department sent the Claimant a notice that her MA case was closed because she failed to submit verification of self-employment effective April 1, 2015. Department Exhibit 2.

5. On March 11, 2015, the Claimant submitted verification of self-employment income. Department Exhibit 7-21.
6. On March 13, 2015, the Department sent the Claimant a notice that she had excess income for FAP and a MA deductible of \$ [REDACTED] Department Exhibit 3-4.
7. On June 10, 2015, the Department received a hearing request from the Claimant, contesting the Department's negative action.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, 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 Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-119b, and Mich Admin Code, R 400.3001-.3011.

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 Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, The Claimant was a recipient of FAP and MA. On February 12, 2015, the Claimant submitted a change report with a vehicle registration that resulted in additional information that showed that the Claimant's husband is the resident agent of a corporation. Department Exhibit 22-28. On February 18, 2015, the Department sent the Claimant a Verification Checklist, DHS 3503, to the Claimant to provide self-employment verification by March 2, 2015. Department Exhibit 1. On March 3, 2015, the Department sent the Claimant a notice that her MA case was closed because she failed to submit verification of self-employment effective April 1, 2015. Department Exhibit 2. On March 11, 2015, the Claimant submitted verification of self-employment income. Department Exhibit 7-21. On March 13, 2015, the Department sent the Claimant a notice that she had excess income for FAP and a MA deductible of \$ [REDACTED] Department Exhibit 3-4. BAM 115. BEM 500.

During the hearing, the Department stated that the Claimant did not provide itemized expenses so she was only eligible for the standard 25%. As a result, she had excess income for FAP and a MA deductible of \$ [REDACTED] Department Exhibit 37. If the Claimant submits itemized expenses then she could qualify for more than the standard 25% deduction. 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 that the Claimant had excess income for FAP and a MA deductible of \$ [REDACTED]

**DECISION AND ORDER**

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

*Carmen G. Fahie*

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**Carmen G. Fahie**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **8/24/2015**

Date Mailed: **8/24/2015**

CGF/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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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:

