

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

**IN THE MATTER OF:**

██████████  
██████████  
████████████████████

MAHS Reg. No.: 15-015323  
Issue No.: 1000;2001;3000  
Agency Case No.: ██████████  
Hearing Date: October 22, 2015  
County: Wayne-District 17

**ADMINISTRATIVE LAW JUDGE: Zainab Baydoun**

**HEARING DECISION**

Following Petitioner'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 October 22, 2015, from Detroit, Michigan. Petitioner appeared and represented herself. Petitioner's mother, ██████████ was present on her behalf. The Department was represented by ██████████, Assistance Payment Worker.

**ISSUE**

Did the Department properly process Petitioner's Family Independence Program (FIP); Food Assistance Program (FAP); and Medical Assistance (MA) benefits?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. There was no issue to resolve at the hearing concerning Petitioner's FIP and FAP benefits.
2. Petitioner's son was an ongoing recipient of MA benefits.
3. On an unverified date, Petitioner applied for MA benefits for herself and her husband.
4. In connection with a redetermination, Petitioner's son's eligibility for MA was reviewed.
5. On July 31, 2015, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that effective August 1, 2015, her son was

eligible for full coverage MA and that for September 1, 2015, ongoing, her son was eligible for MA but subject to a [REDACTED] monthly deductible. The Notice further informs Petitioner that for the period of September 1, 2015, ongoing, she and her husband were ineligible for MA on the basis that the deductible has not been met in at least one of the last three months. (Exhibit A)

6. On August 6, 2015, Petitioner requested a hearing disputing the Department's actions with respect to her FIP, FAP and MA benefits.

### **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).

#### **FIP/FAP**

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

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 hearing was requested to dispute the Department's action taken with respect to Petitioner's FIP and FAP benefits. Shortly after commencement of the hearing, Petitioner stated that she did not have any issues with her FIP case and that she understood the actions taken by the Department with respect to her FAP case and did not wish to proceed with the hearing. The Request for Hearing was withdrawn. The Department agreed to the dismissal of the hearing request. Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing with respect to FIP and FAP is, hereby, **DISMISSED**.

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

Petitioner requested a hearing disputing the Department's actions with respect to MA benefits for herself, her husband, and her son. Petitioner raised two concerns at the hearing: (i) the transfer of her son's MA benefits to a deductible based program; and (ii) the denial/improper processing of a July 2015 MA application for herself and her husband.

Petitioner and the Department confirmed that Petitioner's son was an ongoing recipient of MA benefits. In connection with a redetermination, Petitioner's son's eligibility for MA benefits was reviewed. Petitioner also testified that she submitted an application for MA benefits for herself and her husband in July 2015.

On July 31, 2015, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that for the period of August 1, 2015, to August 31, 2015, her son was eligible for full coverage MA and that for September 1, 2015, ongoing, her son was eligible for MA but subject to a [REDACTED] monthly deductible. (Exhibit A). The Department testified that because Petitioner's previous income and employment from [REDACTED] it was still on file, Petitioner's son was placed on a deductible based MA program, effective September 1, 2015. It remained unexplained by the Department why Petitioner's son was eligible for full coverage MA benefits for the month of August 2015 but not for September 2015, when the same income information was used to determine his eligibility for both months.

Petitioner established that she reported her stopped/loss of employment and income to the Department and that she was no longer employed with [REDACTED] as of February 2015. Additionally, the Department confirmed that Petitioner did not report any employment from [REDACTED] on her redetermination/ application and that it did not send Petitioner a verification checklist (VCL) requesting that she resolve the discrepancy between the information on file in Bridges and the information contained in the application. BAM 130 (April 2015). Therefore, the Department failed to establish that it properly processed Petitioner's son's MA benefits and provided him with MA coverage under the most beneficial category as required by policy. BEM 105 (October 2014), pp1-3.

With respect to MA benefits for Petitioner and her husband, the Department remained unable to clearly identify when Petitioner submitted her application for MA benefits; as the Department initially agreed with Petitioner that it was a July 2015 application but later in the hearing stated that the application was submitted in August 2015. A review of the July 31, 2015, Health Care Coverage Determination Notice establishes that effective September 1, 2015, the Department determined that Petitioner and her husband were ineligible for MA on the basis that the deductible on their MA case had

not been met for at least one of the last three months. (Exhibit A). It was unclear how the application could be denied using the reason for intended action indicated on the Notice, as Petitioner stated that she and her husband have not had any MA benefits since 2012, so there was no deductible to meet. The Department did not establish that there were any other notices sent to Petitioner concerning MA eligibility for herself and her husband for the period of July 2015 or August 2015, ongoing, as the Health Care Coverage Determination Notice dated September 17, 2015, and sent to Petitioner after she requested a hearing, only addresses MA eligibility and approval for the period of October 1, 2015, ongoing. (Exhibit 1). The Department acknowledged that after removing Petitioner's income and employment from [REDACTED] from her case, the family should be eligible for full coverage MA benefits.

Although the Department presented an eligibility summary for review, the information contained in the eligibility summary does not support the conflicting testimony that was provided by the Department throughout the hearing. (Exhibit B). Therefore, 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 processed Petitioner's, her husband's, and her son's MA benefits.

### **DECISION AND ORDER**

Accordingly, the hearing request with respect to FIP and FAP is **DISMISSED** and the Department's MA 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. Redetermine Petitioner's son's eligibility for MA effective September 1, 2015, ongoing, taking into consideration the correct income information;
2. Provide Petitioner's son with MA coverage under the most beneficial category from September 1, 2015, ongoing;
3. Reregister and process Petitioner and her husband's MA application to determine their eligibility for MA under the most beneficial category for the period of July 2015, ongoing;

4. Provide Petitioner and her husband with any MA coverage under the most beneficial category that they were entitled to receive but did not from July 2015, ongoing; and
5. Notify Petitioner in writing of the Department's actions.



---

**Zainab Baydoun**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **10/30/2015**

Date Mailed: **10/30/2015**

ZB / tlf

**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.

