

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

IN THE MATTER OF:

[REDACTED]

MAHS Reg. No.: 15-021269
Issue No.: 3008, 2001
Agency Case No.: [REDACTED]
Hearing Date: January 13, 2016
County: Montcalm

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 3-way telephone hearing was held on January 13, 2016, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by [REDACTED]

ISSUE

Did the Department properly reduce Claimant's FAP benefits and close Claimant's Medicaid-Healthy Michigan Plan 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. On October 2, 2015, Claimant reported a job start and employment income through Workbox.
2. On October 2, 2015, a Notice of Case Action was sent to Claimant informing him that his FAP benefit would be decreased to \$ [REDACTED] effective November 1, 2015.
3. On October 28, 2015, a Health Care Coverage Determination Notice was sent to Claimant informing him that "Your income was updated and you are now over the income limit for the Healthy Michigan Plan. The pay stubs that were submitted on 10/23/15 showed an increase in wages."
4. Claimant's prospective annual gross income was \$ [REDACTED]
5. Claimant requested a hearing on November 9, 2015, protesting the reduction in his FAP benefits and the closure of his Medicaid 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).

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, on October 2, 2105, Claimant reported a job start and employment income to the Department. Claimant's check stubs show that he was earning \$ [REDACTED] per hour. Pursuant to Department policy Claimant's monthly gross income was \$ [REDACTED]. Based on the 3 check stubs from October, Claimant had monthly child support expense of \$ [REDACTED]. Claimant received no excess shelter deduction as he is only responsible for heat and utilities and those expenses were not high enough to qualify for an excess shelter deduction. Following the 20% disregard for earned income, the \$ [REDACTED] standard deduction, and the \$ [REDACTED] child support deduction Claimant had net income of \$ [REDACTED]. Claimants with net income of \$ [REDACTED] per month are entitled to FAP benefit of \$ [REDACTED] per month. Therefore the Department's determination of \$ [REDACTED] per month was incorrect.

With regard to MA-HMP benefits, the annual income limit for a household of 1 person between the age of 19 and 64 was \$ [REDACTED]. Claimant's annual income was \$ [REDACTED]. Therefore, Claimant exceeded the income limit and the Department's closure on that basis was proper and correct.

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 closed Claimant's Medicaid Healthy Michigan Plan benefits due to excess income.

The Administrative Law Judge further finds that the Department did not act in accordance with Department policy when it determined Claimant's FAP benefits.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED IN PART** with respect to Medicaid benefits and **REVERSED IN PART** with respect to FAP benefits.

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. Pay Claimant a supplement for any and all missed FAP benefits.



Aaron McClintic
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Mailed: **1/21/2016**

AM/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:

