

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

**IN THE MATTER OF:**

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

MAHS Reg. No.: 15-023584  
Issue No.: 2001;3000  
Agency Case No.: ██████████  
Hearing Date: February 04, 2016  
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 February 4, 2016, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department was represented by ██████████, Hearings Facilitator.

**ISSUE**

Did the Department properly process Petitioner's Food Assistance Program (FAP) benefits and calculate the amount of his Food Assistance Program (FAP) 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. Petitioner was an ongoing recipient of MA benefits under the G2S program.
2. On October 29, 2015, the Department sent Petitioner a Health Care Coverage Determination Notice informing him that effective December 1, 2015, he was approved for MA benefits with a monthly deductible of \$752.(Exhibit A, p. 7)
3. Petitioner was an ongoing recipient of FAP benefits in the amount of \$16.
4. In November 2015, Petitioner reported to the Department that his daughter moved into his home.
5. On November 10, 2015, the Department sent Petitioner a Notice of Potential FAP Closure informing him that effective November 30, 2015, his FAP case would be closed.

6. On December 23, 2015, Petitioner requested a hearing disputing the Department's actions with respect to his MA and FAP 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).

#### **FAP**

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.

A client's request for hearing must be in writing and signed by an adult member of the eligible group, adult child, or authorized hearing representative (AHR). Department of Human Services Bridges Administrative Manual (BAM) 600 (October 2015), p. 2. Moreover, BAM 600, p. 6 provides that a request for hearing must be received in the Department local office within 90 days of the date of the written notice of case action. MAHS may grant a hearing about a denial of an application and/or supplemental payments; reduction in the amount of program benefits or service; suspension or termination of program benefits or service; restrictions under which benefits or services are provided or delay of any action beyond the standards of promptness. BAM 600, pp.4-5.

In the present case, Petitioner reported to the Department that his [REDACTED] year old daughter moved into his home and that his group size increased. The Department later sent Petitioner a Notice of Potential FAP closure informing him that effective November 30, 2015, his FAP case would be closed on the basis that he failed to return a mid-certification form. The Department testified that after receiving Petitioner's hearing request, it reinstated his FAP case, added his daughter to his FAP group and increased the FAP benefits to \$131 effective November 1, 2015. The Department presented an eligibility summary in support of its testimony. (Exhibit A, p. 10). On December 29, 2015, the Department sent Petitioner a Notice of Case Action informing him that his FAP benefits were increased to \$141 effective November 1, 2015. (Exhibit B—Waiting on Dept fax). Petitioner confirmed the Department's testimony and stated that he was satisfied with the increase in his FAP benefits. The evidence presented established that prior to the hearing, the Department corrected the action that Petitioner requested a hearing on, reinstated his FAP case and provided him with the FAP benefits he missed.

Therefore, there remains no issue left to be resolved with respect to Petitioner's hearing request regarding FAP. As such, Petitioner's hearing request is **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 submitted a hearing request disputing the Department's calculation of his monthly MA deductible. The Department testified that it sent Petitioner a Health Care Coverage Determination Notice informing him that effective December 1, 2015, he was eligible for MA, but subject to a deductible of \$752 based on his unearned income amount. (Exhibit A, p.7).

Additionally, 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 (October 2015), p 10. Individuals are eligible for Group 2 MA coverage when net income (countable income minus allowable income deductions) does not exceed the applicable Group 2 MA protected income levels (PIL), which is based on shelter area and fiscal group size. BEM 105 (October 2014), pp. 1-2; BEM 166 (July 2013), pp 1-2; BEM 544 (July 2013), p 1; RFT 240 (December 2013), p 1. The PIL is a set allowance for non-medical need items such as shelter, food and incidental expenses. BEM 544, p. 1. The monthly PIL for an MA group of one (Petitioner) living in Wayne County is \$375 per month. RFT 200 (December 2013), pp. 1-2; RFT 240, p 1. Thus, if Petitioner's net monthly income is in excess of the \$375, he may become eligible for assistance under the deductible program, with the deductible being equal to the amount that his monthly income exceeds \$375. BEM 545, p 1.

At the hearing, the Department produced a SSI-Related MA budget showing how the deductible in Petitioner's case was calculated. (Exhibit A, p. 11). The Department testified that in calculating Petitioner's unearned income, it considered his monthly Retirement, Survivors, and Disability Insurance (RSDI) benefits in the amount of \$1252. Petitioner verified that the amount of his RSDI benefit was accurate. Thus, the Department properly calculated Petitioner's unearned income. The Department properly subtracted the \$20 unearned income general exclusion and determined that Petitioner's total countable income for MA purposes was \$1127, as at the time the budget was compiled, Petitioner was responsible for \$104.90 in insurance premiums. There was no evidence presented that Petitioner was entitled to any other deductions to income. BEM 530 (January 2014), pp 1-4; BEM 541 (January 2015), pp.2-3.

Because Petitioner's countable income of \$1127 for MA purposes exceeds the monthly protected income level of \$375 by \$752, the Department properly calculated Petitioner's monthly \$752 MA deductible in accordance with Department policy.

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 calculated Petitioner's monthly MA deductible.

**DECISION AND ORDER**

Accordingly, the hearing request with respect to FAP is **DISMISSED** and the Department's MA decision is **AFFIRMED**.



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

Date Signed: **2/11/2016**

Date Mailed: **2/11/2016**

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**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;

