RICK SNYDER GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM Christopher Seppanen Executive Director

MIKE ZIMMER



Date Mailed: April 1, 2016 MAHS Docket No.: 16-000451

Agency No.: Petitioner:

**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 March 3, 2016, from Detroit, Michigan. The Petitioner represented herself. The Department of Health and Human Services (Department) was represented by Independence Specialist and Independence Manager.

# <u>ISSUE</u>

Did the Department properly process Medical Assistance (MA) benefits for Petitioner's grandchildren?

Did the Department properly calculate the amount of Petitioner's 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 is the caretaker of her three grandchildren.
- 2. Petitioner's grandchildren were ongoing recipients of MA benefits.
- 3. Petitioner's minor grandchildren were not added to Petitioner's case number and each received MA under different cases.

- 4. On an unverified date, MA coverage for Petitioner's grandchildren was terminated.
- 5. Petitioner was an ongoing recipient of FAP benefits in the amount of \$102.
- 6. Petitioner disputed the calculation of her FAP benefits in the amount of \$102.
- 7. On January 6, 2016, Petitioner requested a hearing disputing the Department's actions regarding MA coverage for her grandchildren and the decrease in her 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).

#### <u>FAP</u>

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.

Petitioner requested a hearing disputing the decrease in her FAP benefits to \$102. Petitioner stated that her FAP benefits were decreased effective December 1, 2015, and that she did not receive any notice of the change. At the hearing, the Department's case presentation did not address Petitioner's FAP benefits. The Department failed to present any evidence documentary or otherwise concerning Petitioner's FAP benefits or that it properly calculated Petitioner's FAP benefits in the amount of \$102. The Department's failure to present a budget or other relevant evidence results in the inability of the undersigned Administrative Law Judge (ALJ) to make a determination as to whether the Department properly reduced Claimant's FAP benefits to \$102 effective December 1, 2015.

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 because there was no evidence presented concerning how Petitioner's FAP benefits were determined, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it calculated Petitioner's monthly FAP benefits of \$102.

#### 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.

In this case, Petitioner requested a hearing to dispute the Department's actions with respect to MA benefits for her grandchildren. Petitioner clarified at the hearing that the issue with MA was only with respect to two of her three grandchildren (SS and PS). Petitioner stated that she was informed after taking PS to the doctor in December 2015 that he and SS have not had active MA benefits since July 2015. Petitioner testified that she was never notified of a case closure and that she was made aware that the children did not have active MA coverage when she took the children to the doctor.

At the hearing, the Department asserted that SS had full a full coverage active MA case under a different case number until June 2015, at which point SS was transferred to Petitioner's case number . The Department stated that SS has had active and ongoing MA coverage with no lapse. While the Department presented a MA-EDG Summary showing that SS was eligible for MA under a full coverage program for the benefit period/month of January 2016, the Department failed to present sufficient evidence that SS had active and ongoing MA coverage with no lapse since July 2015. (Exhibit A).

With respect to child PS, the Department stated that he also had active and ongoing MA benefits with no lapse in coverage. For an unexplained reason, the Department stated that PS had active MA under a different case number and that the case was open through the Greenfield/Joy district office, not Greydale district where Petitioner resides. The Department stated that it would contact the Greenfield/Joy district in order to have PS's MA case closed out and transferred to Petitioner's active and current MA case. While the Department presented a MA-EDG Summary showing that PS was eligible for MA under a full coverage program for the benefit period/month of January 2016, the Department failed to present sufficient evidence that SS had active and ongoing MA coverage with no lapse since July 2015. (Exhibit A).

The Department conceded that both children were eligible for full coverage MA and that the children should have received MA coverage with no lapse since July 2015. The Department testified that it appeared as though there were system issues, as it was unclear why there were so many case numbers associated with Petitioner and her grandchildren's case.

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 MA benefits for Petitioner's grandchildren.

# **DECISION AND ORDER**

Accordingly, the Department's decisions are **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. Recalculate Petitioner's FAP budget for December 1, 2015, ongoing;
- 2. Issue FAP supplements to Petitioner from December 1, 2015, ongoing, in accordance with Department policies;
- 3. Provide MA coverage for Petitioner's grandchildren (SS and PS) under the most beneficial category from July 1, 2015, ongoing, and under the correct case numbers; and
- 4. Notify Petitioner in writing of its decisions.

ZB/tlf

Laurab Kaydoun

Zainab Baydoun

Administrative Law Judge for Nick Lyon, Director

Department of Health and Human Services

**NOTICE OF APPEAL**: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

