



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR



Date Mailed: October 25, 2016
MAHS Docket No.: 16-013805
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Darryl Johnson

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 20, 2016, from Lansing, Michigan. The Petitioner appeared on his own behalf. The Department of Health and Human Services (Department) was represented by Eligibility Specialist [REDACTED].

ISSUE

Did the Department properly reduce Petitioner's Food Assistance Program (FAP) benefits and close his Healthy Michigan Plan (HMP) Medical Assistance (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. Petitioner was an on-going FAP and HMP recipient.
2. On August 22, 2016, Petitioner reported to the Department that he had returned to work in January 2016.
3. The Department reviewed his wages for the months of July, August, and September 2016 (Exhibit 1, Page 3) and calculated his monthly income averaged \$ [REDACTED] during those months.

4. On August 22, 2016, the Department mailed a Health Care Coverage Determination Notice (Pages 14-17) and a Notice of Case Action (Pages 18-21) informing him that his HMP was closing due to excess income, and his FAP was being reduced to \$ [REDACTED] per month, beginning October 1, 2016.
5. On September 20, 2016, the Department received Petitioner's hearing request, protesting the reduction of his FAP and the closure of his HMP.

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, Petitioner was originally granted FAP and HMP based upon his status on December 10, 2015 (Page 1) of being on medical leave from his job. His wage history (Page 4) shows that he was out of work for approximately three months from mid October 2015 to early January 2016. He waited several months to report his return to employment. When the Department checked his wages, they found that he had been working more than 30 hours per week for several months.

His gross wages from pay dates June 10, 2016, through July 29, 2016 total \$ [REDACTED]. His average monthly gross is \$ [REDACTED], which is the equivalent of \$ [REDACTED] per year. The income limit for a single person between the ages of 19 and 64 is \$ [REDACTED]. Although his income for the calendar year of 2016 is unlikely to exceed that amount, the Department does not use total earnings for the year to determine, retroactively, whether a person is eligible. They use the applicant's most recent verified income and

extrapolate from that to calculate an annual equivalent. Here, his income on an annualized basis is without question above the limit for HMP.

When they calculated his FAP budget (Page 19), the Department used an earned income amount of \$ [REDACTED], and from that calculated his monthly income after deductions to be \$ [REDACTED]. As explained in the preceding paragraph, his actual gross income was about \$ [REDACTED] higher, but for the purposes of this decision that error is inconsequential.

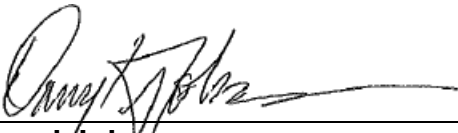
Petitioner testified that his hours will be decreasing in the coming months. If that happens to the extent he described, he might find himself eligible again for HMP, and possibly for an increase in FAP. However, the lowest amount of FAP that can be awarded is \$ [REDACTED]. That amount is awarded to a single person with FAP "net income" ranging from as low as \$ [REDACTED] to as high as \$ [REDACTED] per month. See RFT 260 (10/1/16) p. 8-21. If his net income dropped from its current \$ [REDACTED] to \$ [REDACTED], his FAP would increase to just \$ [REDACTED] per month.

DECISION AND ORDER

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 Petitioner's HMP and reduced his FAP.

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

DJ/mc



Darryl Johnson
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

DHHS

[REDACTED]

Petitioner

[REDACTED]