



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

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Date Mailed: December 8, 2016
MAHS Docket No.: 16-016203

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ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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 November 30, 2016, from Lansing, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by ██████████ ██████████, Eligibility Specialist and ██████████, Family Independence Manager.

ISSUE

Did the Department properly determine the Petitioner's eligibility for Food Assistance Program (FAP) benefits and Medicaid (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. The Petitioner was a recipient of FAP and MA benefits.
2. On October 12, 2016, the Petitioner applied for State Emergency Relief (SER) benefits, which required the Department Caseworker to conduct a telephone interview. Department Exhibit 1, pgs. 1-14. After determining eligibility, the Department Caseworker noticed that the Petitioner was receiving MA Ad-Care and MA QMB, but she had excess income for those programs. BRIDGES was not counting the Petitioner's Social Security RSDI of ██████████ (Department Exhibit 9a-9c) for MA Ad Care. Department Exhibit 2. In addition, she had an

ongoing medical expense that hadn't been updated since 2012 that included her Medicare Part B that the State of Michigan was paying. Department Exhibit 4.

3. On October 24, 2016, the Department Caseworker sent the Petitioner a Notice of Case Action that her FAP benefits would decrease to [REDACTED] per month due to the decrease in the medical expenses. Department Exhibit 8-8b.
4. On October 24, 2016, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

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, The Petitioner was a recipient of FAP and MA benefits. On October 12, 2016, the Petitioner applied for State Emergency Relief (SER) benefits, which required the Department Caseworker to conduct a telephone interview. Department Exhibit 1, pgs. 1-14. After determining eligibility, the Department Caseworker noticed that the Petitioner was receiving Ad-Care and QMB, but she had excess income for those programs. BRIDGES was not counting the Petitioner's [REDACTED] (Department Exhibit 9a-9c) for MA Ad Care. Department Exhibit 2. In addition, she had ongoing medical expense that hadn't been updated since 2012 that included her Medicare Part B that the State of Michigan was paying. Department Exhibit 4. On October 24, 2016, the Department Caseworker sent the Petitioner a Notice of Case Action that her FAP benefits would decrease to [REDACTED] per month due to the decrease in the medical expenses. Department Exhibit 8-8b. On October 24, 2016, the Department received a hearing request from the Petitioner,

contesting the Department's negative action. BEM 163, 165, 240, 260, 554, 550, and 503.

During the hearing, the Department Caseworker stated that due to Department's error the Department was not counting the Petitioner's [REDACTED], which resulted in her being eligible for MA Ad care and MA QMB. In addition, she was being budgeted for an old medical expense from 2012 and for Medicare Part B even though the State of Michigan pays the Petitioner portion.

As a result of her excess income for MA AD-Care, the Petitioner was determined eligible for a MA Spenddown/Deductible case. The Petitioner had [REDACTED] income of [REDACTED]. After deductions of a [REDACTED] unearned income general exclusion, a protected income of [REDACTED] and insurance premiums of [REDACTED], the Petitioner had a deductible of [REDACTED] that she must meet before being eligible for MA. Department Exhibit 12.

As a result of excess income, the Petitioner had a decrease in FAP benefits. After deductions from her gross income of [REDACTED] of a [REDACTED] standard deduction and a [REDACTED] medical expense deduction for an adjusted gross income of [REDACTED]. The Petitioner was given a total shelter deduction of [REDACTED] resulting from a housing expense of [REDACTED] and heat and utility standard of [REDACTED]. The Petitioner was given an adjusted excess shelter deduction of [REDACTED] with a total shelter deduction of [REDACTED] minus [REDACTED] of adjusted gross income of [REDACTED]. The Petitioner had a net income of [REDACTED], which was the adjusted gross income of [REDACTED] minus the excess shelter deduction of [REDACTED]. With a net income of [REDACTED] the Petitioner qualified with a household group size of 1 for a maximum benefit of [REDACTED] plus [REDACTED] in economic recovery minus [REDACTED] of net income of [REDACTED] resulting in a net benefit amount of [REDACTED]6. Department Exhibit 5, pgs. 1-2 and 13.

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 determined that the Petitioner had excess income for MA Ad Care resulting in a MA deductible of [REDACTED] the Petitioner paying for her MA QMB, and a decrease in FAP benefits due to the removal of an old medical expense and the Medicare Part B premium that the State of Michigan is paying resulting in a FAP benefit of [REDACTED].

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

Carmen G. Fahie

Carmen G. Fahie

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

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

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[REDACTED]
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