



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: April 29, 2016  
MAHS Docket No.: 16-004031  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Kevin Scully**

**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. After due notice, telephone hearing was held on April 27, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included [REDACTED]. [REDACTED] (Eligibility Specialist) represented the Department of Health and Human Services (Department). Witnesses on behalf of the Department included [REDACTED] (Assistance Payments Supervisor).

**ISSUE**

Did the Department of Health and Human Services (Department) properly deny the Petitioner's Food Assistance Program (FAP), State Emergency Relief (SER), and Child Development and Care (CDC) application?

**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 March 4, 2016, the Department received the Petitioner's application for Medical Assistance (MA), Food Assistance Program (FAP), State Emergency Relief (SER), and Child Development and Care (CDC) benefits. Exhibit A, pp 1 – 2.
2. The Petitioner receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED] Exhibit A, pp 17 – 18.
3. The Petitioner receives monthly child support income in the gross monthly amount of \$ [REDACTED]

4. On March 8, 2016, the Department notified the Petitioner that it had denied her Child Development and Care (CDC) and Food Assistance Program (FAP) application. Exhibit A, pp 3 – 5.
5. On March 8, 2016, the Department notified the Petitioner that it had denied her State Emergency Relief (SER) application. Exhibit A, pp 6 – 7.
6. On March 15, 2016, the Department notified the Petitioner that it had approved her Medical Assistance (MA) application effective March 1, 2016. Exhibit A, pp 8 – 9.
7. On March 24, 2016, the Department received the Petitioner's request for a hearing. Exhibit A, p 1.

### **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 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.

The Petitioner's March 24, 2016, request for a hearing indicated Medical Assistance (MA) as a program in dispute. During the hearing on April 27, 2016, the Department's representative testified that the Petitioner has been approved for MA benefits, and the Respondent did not identify a negative action with respect to this benefit.

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.

All earned and unearned income available is countable unless excluded by policy. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance

(SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (January 1, 2016).

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. Department of Human Services Bridges Eligibility Manual (BEM) 505 (July 1, 2014), pp 7-8.

On March 4, 2016, the Department received the Petitioner's application for FAP benefits as a group of four. The Petitioner receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED] which was determined by multiplying the average of her paychecks from the previous 30 days (\$ [REDACTED] \$ [REDACTED] by the 2.15 conversion factor. The Petitioner also received child support income in the gross monthly amount of \$ [REDACTED] which was determined from the average of the child support she has received over the previous three months as directed by BEM 255. The Petitioner's total monthly income of \$ [REDACTED] exceeds the gross income limit to receive FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 250 (October 1, 2015), p 1. Because the Petitioner's gross monthly income exceeds the monthly gross income limit, the Petitioner's countable expenses and deduction are not applied towards her eligibility for FAP benefits.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

On March 4, 2016, the Department received the Petitioner's application for CDC benefits. The Petitioner was not active for CDC benefits on March 4, 2016, when she requested this assistance. In order to begin receiving CDC benefits, the family's gross monthly income cannot exceed the \$ [REDACTED] flat-rate family contribution for their family size. Department of Health and Human Services Bridges Eligibility Manual (BEM) 703 (January 1, 2016), pp 1 – 16. Department of Health and Human Services Reference Table Manual (RFT) 270 (January 1, 2016), pp 1. Once approved for CDC benefits, eligibility may be maintained with a higher income and a higher family contribution amount.

In this case, the Petitioner's monthly income of \$ [REDACTED] exceeds the \$ [REDACTED] limit to receive CDC benefits by a group of four. RFT 270.

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

Required payments are considered met if the household has made vendor payments during the entire required payment period and all persons in the home are included in the vendor payment amounts. A group of four is required to make required payments towards their heating obligation of at least \$ [REDACTED]. Department of Health and Human Services Emergency Relief Manual (ERM) 301 (October 1, 2015), pp 7 – 8.

On March 4, 2016, the Department received the Petitioner's application for SER benefits. When the Department examined the Petitioner's payment history towards the obligation of the group to pay for gas heating expenses, it was discovered that the Petitioner had not made any payments during the previous six months. Since the Petitioner's group failed to make at least a \$ [REDACTED] monthly payment towards their gas obligation as required by ERM 301, the Department denied her SER application.

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 denied Food Assistance Program (FAP), State Emergency Relief (SER), and Child Development and Care (CDC) benefits.

### **DECISION AND ORDER**

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

KS/las

  
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**Kevin Scully**  
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]

[REDACTED]

**Petitioner**

[REDACTED]