



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: May 15, 2017
MAHS Docket No.: 17-004755
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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 May 10, 2017, from Lansing, Michigan. Petitioner was represented by herself. The Department was represented by Hearing Facilitator [REDACTED]

ISSUE

Did the Department properly determine Petitioner's Food Assistance Program (FAP) eligibility on March 17, 2017?

Did the Department properly determine Petitioner's Medical Assistance (MA) eligibility on March 23, 2017?

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 Medical Assistance (MA) and Food Assistance Program (FAP) benefits.
2. On November 3, 2016, Petitioner made a \$ [REDACTED] payment to the [REDACTED] County Treasurer. The payment was applied to her delinquent taxes, interest and fees for 2013. (Department Exhibit A page 4)
3. On November 14, 2016, Petitioner was sent a Notice of Show Cause Hearing and Judicial Foreclosure Hearing. The notice states that Petitioner's property was

forfeited to the county treasurer on March 1, 2016. As of October 1, 2016, Petitioner owed \$ [REDACTED] in delinquent property taxes, interest and fees. The notice also stated that Petitioner had the right to redeem the property by paying in full on or before March 31, 2017 or the right to redeem would expire. (Department Exhibit A page 5)

4. On March 17, 2017, Petitioner was sent a Notice of Case Action (DHS-1605) which stated her Food Assistance Program (FAP) eligibility was reduced to \$ [REDACTED] per month beginning March 1, 2017.
5. On March 23, 2017, Petitioner was sent a Health Care Coverage Determination Notice (DHS-1606) which stated she was eligible for Medical Assistance (MA) with a \$ [REDACTED] monthly deductible from April 1, 2017 ongoing. Petitioner is also eligible for full coverage Medicare Savings Program benefits from February 1, 2017 ongoing.
6. Petitioner receives \$ [REDACTED] per month of Retirement, Survivor, Disability Income (RSDI) benefits.
7. Petitioner's Food Assistance Program (FAP) financial eligibility budget for the period March 1, 2017 ongoing shows she receives a standard deduction of \$ [REDACTED] has a housing expense of \$ [REDACTED] and a heat and utility shelter expense of \$ [REDACTED]
8. Petitioner's Medical Assistance (MA) financial eligibility budget for April 1, 2017 ongoing shows she receives a \$ [REDACTED] unearned general income exclusion, exceeds the SSI Related Medicaid category, full coverage income limit of \$ [REDACTED] and is eligible for coverage with a \$ [REDACTED] deductible.
9. On April 6, 2017, Petitioner submitted a hearing request.

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.

During this hearing Petitioner referred to the income limits for the Healthy Michigan Plan (HMP) Medical Assistance (MA) category and asserted that she is not over that income limit. It was explained to Petitioner that since she has Medicare coverage, she is not eligible for Medical Assistance (MA) under the HMP category. It was also explained to Petitioner that her Medicare premium is being paid by Michigan and the Medical Assistance (MA) coverage she has is secondary coverage for any medical expenses that Medicare does not pay. Petitioner continued to insist that she does not think she is over the income limit for medical coverage and that the income limit is being kept secret from her. Petitioner's Medical Assistance (MA) financial eligibility budget was reviewed and found to be correct.

Petitioner asserts that her back property taxes should be included in her Food Assistance Program (FAP) financial eligibility budget. Petitioner's housing expense for FAP eligibility includes her condo association fees and \$ [REDACTED] of current property tax. Bridges Eligibility Manual (BEM) 554 FAP Allowable Expenses and Expense Budgeting (1-1-2017) provides the following:

SHELTER EXPENSES

Allow a shelter expense when the FAP group has a shelter expense or contributes to the shelter expense. Do **not** prorate the shelter expense even if the expense is shared. Shelter expenses are allowed when billed. The expenses do **not** have to be paid to be allowed.

Late fees and/or penalties incurred for shelter expenses are **not** an allowable expense.

Property Taxes, Assessments and Insurance

Property taxes, state and local assessments and insurance on the structure are allowable expenses. Do **not** allow insurance costs for the contents of the structure, for example, furniture, clothing and personal belongings.

Deduct the entire insurance charge for structure and contents when the amount for the structure cannot be determined separately.

Verification

Verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, remove the old expense until the new expense is verified.

Verify the expense **and** the amount for housing expenses, property taxes, assessments, insurance and home repairs.

Verification Sources

Acceptable verification sources include, but are **not** limited to:

Mortgage, rental or condo maintenance fees contracts or a statement from the landlord, bank or mortgage company.

Copy of tax, insurance, assessment bills or a collateral contact with the appropriate government or insurance office.

Cancelled checks, receipts or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address if verifying shelter, the provider of the service and the name of the person paying the expense.

DHS-3688, Shelter Verification form. A copy of this form will be sent to the FAP group and a task and reminder sent to the specialist when a change of address is done in Bridges. The due date will be on the form. The specialist must monitor for return of the form and take appropriate action if it is or is **not** returned.

Current lease.

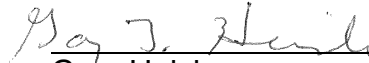
Petitioner has submitted evidence which indicates that as of November 2016, she had delinquent property taxes. Petitioner has not presented any evidence that shows she is making regular payments on the balance of her delinquent taxes. Under these circumstances, there is no basis to allow property tax expenses beyond the current property taxes.

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 Petitioner's Food Assistance Program (FAP) eligibility on March 17, 2017 and her Medical Assistance (MA) eligibility on March 23, 2017.

DECISION AND ORDER

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

GH/nr



Gary Heisler
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]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]