



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: [REDACTED] June 28, 2017
MAHS Docket No.: 17-006557
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 [REDACTED], from [REDACTED], Michigan. Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistance Payments Supervisor; and [REDACTED], Assistance Payments Worker.

ISSUE

Did the Department properly determine Petitioner's eligibility for Medical Assistance (MA) and Food Assistance Program (FAP)?

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 [REDACTED], Petitioner applied for FAP and MA.
2. On [REDACTED], Petitioner submitted paystubs to the Department of [REDACTED], of \$ [REDACTED] and [REDACTED], of \$ [REDACTED]. Department Exhibit 1, pgs. 7-8.
3. On [REDACTED], the Department Caseworker sent Petitioner a Notice of Case Action, DHS 1605, that he was eligible for FAP [REDACTED], through [REDACTED].

██████████, in the amount of \$██████████ and ██████████, forward for \$██████████ per month for a group of 5. Department Exhibit 1, pgs. 12-13.

4. On ██████████, the Department Caseworker sent Petitioner a Health Care Coverage Determination Notice, DHS 1606, that he and his wife were eligible for MA with a \$██████████ monthly deductible effective ██████████, Ongoing due to excess income. Department Exhibit 1, pgs. 14-20.
5. On ██████████, the Department received a hearing request from 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, Petitioner applied for FAP and MA on ██████████. On ██████████, Petitioner submitted paystubs to the Department of ██████████, of \$██████████ and ██████████, of \$██████████. Department Exhibit 1, pgs. 7-8. On ██████████, the Department Caseworker sent Petitioner a Notice of Case Action, DHS 1605, that he was eligible for FAP ██████████, through ██████████, in the amount of \$██████████ and ██████████, forward for \$██████████ per month for a group of 5. Department Exhibit 1, pgs. 12-13. On ██████████, the Department Caseworker sent Petitioner a Health Care Coverage Determination Notice, DHS 1606, that he and his wife were eligible for MA with a \$██████████ monthly deductible effective ██████████, ongoing due to excess income. Department Exhibit 1, pgs. 14-20. On ██████████, the Department received a hearing request from Petitioner, contesting the Department's negative action. BEM 500.

During the hearing, the Department stated that Petitioner had excess income. For FAP benefits, Petitioner had unearned income of \$ [REDACTED]. After deductions from his gross income of \$ [REDACTED] of \$ [REDACTED] standard deduction and an earned income deduction of \$ [REDACTED] for an adjusted gross income of \$ [REDACTED]. Petitioner was given a total shelter deduction of \$ [REDACTED], resulting from a housing expense of \$ [REDACTED], and heat and utility standard of \$ [REDACTED]. Petitioner was given an adjusted excess shelter deduction of \$ [REDACTED], with a total shelter deduction of \$ [REDACTED] minus 50% of adjusted gross income of \$ [REDACTED]. 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], Petitioner qualified with a household group size of 5 for a maximum benefit of \$ [REDACTED] plus \$ [REDACTED] in economic recovery minus 30% of net income of \$ [REDACTED], resulting in a net FAP benefit amount of \$ [REDACTED]. Department Exhibit 1, pgs. 10-11.

As a result of his excess income for [REDACTED]-Care, Petitioner was determined eligible for a MA Spenddown/Deductible case for a household group size of 2. Petitioner had an adult's prorated income of \$ [REDACTED] and a spouse's prorated income of \$ [REDACTED]. His net income of \$ [REDACTED] was determined by \$ [REDACTED] adult's share of adult's own income, \$ [REDACTED] of the spouse's share of spouses own income, and \$ [REDACTED] of the couple's share of each other's income. After deductions of a protected income of \$ [REDACTED] and insurance premiums of \$ [REDACTED], Petitioner had a deductible of \$ [REDACTED] that he and his wife must meet before being eligible for MA. Department Exhibit 1, pgs. 4-5. BEM 210.

This Administrative Law Judge finds that Petitioner had excess income for FAP and MA resulting in decreased FAP benefits and a medical deductible for Petitioner and his wife.

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 Petitioner was eligible for FAP benefit for [REDACTED], through [REDACTED], in the amount of \$ [REDACTED] and [REDACTED], forward for \$ [REDACTED] per month for a group of 5 and for MA that he and his wife were eligible for MA with a \$ [REDACTED] monthly deductible effective [REDACTED] - ongoing due to excess income.

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

CF/bb



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

DHHS

[REDACTED]

Petitioner

[REDACTED]