



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: January 31, 2018  
MAHS Docket No.: 17-016457  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Ellen McLemore**

**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; 42 CFR 438.400 to 438.424; 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 January 29, 2018, from Detroit, Michigan. Petitioner was present with her mother, [REDACTED]. The Department of Health and Human Services (Department) was represented by Lacey Whitford, Assistance Payments Supervisor.

**ISSUE**

Did the Department properly deny Petitioner's application for Food Assistance Program (FAP) benefits?

**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 submitted an expedited application for FAP and Medical Assistance (MA) benefits on [REDACTED], 2017 (Exhibit A). Petitioner's FAP application was approved.
2. On October 5, 2017, Petitioner submitted verification of one of her bank accounts (Exhibit B).
3. On November 15, 2017, the Department sent Petitioner a Notice of Case Action informing her that her FAP benefits were closing effective December 1, 2017, ongoing, due to exceeding the asset limit.

4. On December 15, 2017, Petitioner submitted a request for hearing disputing the Department's actions regarding her MA and FAP benefit cases.

### **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).

### **FAP**

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.

On [REDACTED], 2017, Petitioner submitted an expedited application for FAP benefits. The Department approved Petitioner's FAP application, pending verification of the information provided. The Department requested verification of Petitioner's assets.

When determining asset eligibility, the Department will prospectively use the asset group's assets from the benefit month. BEM 400 (July 2017), p. 3. Asset eligibility exists when the group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400, p. 3. For FAP cases, the asset limit is \$5,000 or less. BEM 400, p. 5. Assets include checking and savings accounts. BEM 400, p. 15. For FAP cases, the Department will use the lowest checking, savings or money market balance in the month when determining asset eligibility. BEM 400, p. 15. Divestment occurs if a FAP group transfers assets for less than the fair market value for any of the following reasons: (i) to qualify for program benefits or (ii) to remain eligible for program benefits. BEM 400, pp. 5-6. When divestment occurs, the FAP case is closed for the relevant disqualification period. BEM 406 (October 2016), p. 2.

Petitioner submitted verification of several of her bank accounts (Exhibits B, C, and D). Petitioner did not provide her statements, only a current balance of each account. Petitioner had a balance of \$6,684.80 in one of her bank accounts (Exhibit B). According to the document, Petitioner's 60-day average balance was \$1,452.25. It is possible Petitioner met the asset eligibility, as her assets may have been below the limit at least one day in the 30 days prior to application. However, without the statement showing the account balance over the previous 30 days, it is impossible to determine if Petitioner met the asset eligibility for a FAP case within the 30 days prior to application. The only documentation provided by Petitioner shows that her current account balance

was in excess of \$5,000. Therefore, the Department acted in accordance with policy when it closed Petitioner's FAP benefit case.

**MA**

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.

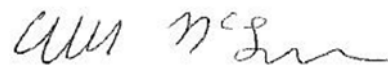
In this case, Petitioner submitted an application for MA benefits on [REDACTED], 2017. Petitioner was approved for full-coverage MA under the Low Income Families program. Shortly after commencement of the hearing, Petitioner testified that she agreed with the actions taken by the Department and did not wish to proceed with the hearing regarding her MA benefits. The Request for Hearing was withdrawn regarding Petitioner's MA case. Therefore, Petitioner's request for hearing was dismissed based on the withdrawal on the record.

**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 FAP benefit case. Accordingly, the Department's decision regarding Petitioner's FAP benefit case is **AFFIRMED**.

Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing regarding Petitioner's MA case is, hereby, **DISMISSED**.

EM/cg



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**Ellen McLemore**

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

**Via Email:**

MDHHS-Isabella-Hearings  
M. Holden  
D. Sweeney  
M. Best  
EQAD  
BSC2-Hearing Decisions  
MAHS

**Petitioner – Via First-Class Mail:**

