



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: June 1, 2018
MAHS Docket No.: 18-004192
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; 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 May 23, 2017, from Lansing, Michigan. The Petitioner was represented by herself and her husband, [REDACTED]. The Department of Health and Human Services (Department) was represented by Dionere Craft, Hearing Facilitator.

ISSUE

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

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 with a redetermination due in March 2018.
2. The Petitioner is employed at [REDACTED] with a second job at [REDACTED] Security with her husband being employed at [REDACTED] [REDACTED] [REDACTED] Department Exhibit 1, pgs. 12-16 and 19-23.
3. On April 13, 2018, the Department Caseworker sent the Petitioner a Notice of Case Action, DHS 1605, that decreased FAP from \$ [REDACTED] to \$ [REDACTED] effective April 1, 2018 due to excess income. Department Exhibit 1, pgs. 5-11.
4. On April 20, 2018, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

5. On April 30, 2018, the Department Caseworker sent the Petitioner a Notice of Case Action, DHS 1605, that decreased FAP from \$█ to \$█ effective June 1, 2018 due to excess income. Department Exhibit 1, pgs. 24-26.

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 has excess income based on her 2 jobs and her husband's one job for FAP and MA. As a result, her FAP benefits were decreased and there was a medical deductible that had to be met before being MA eligible. BAM 220 and BEM 501.

The Petitioner had a decrease in FAP benefits. The Petitioner had earned income of \$█ and unearned income of \$█. After deductions from her gross income of \$█ of \$█ earned income deduction and a \$█ standard deduction for an adjusted gross income of \$█. The Petitioner was given a total shelter deduction of \$█ resulting from a housing expense of \$0 and heat and utility standard of \$█. The Petitioner was given an adjusted excess shelter deduction of \$█ with a total shelter deduction of \$█ minus 50% of adjusted gross income of \$█. The Petitioner had a net income of \$█ which was the adjusted gross income of \$█ minus the excess shelter deduction of \$0. With a net income of \$█, the Petitioner qualified with a household group size of 4 for a maximum benefit of \$█ plus \$0 in economic recovery minus 30% of net income of \$█ resulting in a net benefit amount of \$█. Department Exhibit 1, pgs. 27-29.

When the Department calculated the additional earned income from the Petitioner's second job, she had earned income of \$█ and unearned income of \$█. After deductions from her gross income of \$█ of \$█ earned income deduction and a

\$ [REDACTED] standard deduction for an adjusted gross income of \$ [REDACTED]. The Petitioner was given a total shelter deduction of \$ [REDACTED] resulting from a housing expense of \$0 and heat and utility standard of \$ [REDACTED]. The Petitioner was given an adjusted excess shelter deduction of \$0, with a total shelter deduction of \$ [REDACTED] minus 50% 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 \$0. With a net income of \$ [REDACTED], the Petitioner qualified with a household group size of 4 for a maximum benefit of \$ [REDACTED] plus \$0 in economic recovery minus 30% of net income of \$ [REDACTED] resulting in a net benefit amount of \$ [REDACTED]. Department Exhibit 1, pgs. 31-33.

As a result of her excess income for MA AD-Care, the Petitioner was determined eligible for a MA Spenddown/Deductible case for a household group size of 2. The Petitioner had an adult's prorated income of \$ [REDACTED] and a spouse's prorated income of \$ [REDACTED] and couple's share of each other's income of \$ [REDACTED]. For a total net income of \$ [REDACTED] after deductions of a protected income of \$500, the Petitioner had a deductible of \$ [REDACTED] that she must meet before being eligible for MA. Department Exhibit 1, pgs. 35.

When the Department calculated the additional earned income from the Petitioner's second job, the Petitioner had an adult's prorated income of \$ [REDACTED] and a spouse's prorated income of \$ [REDACTED] and couple's share of each other's income of \$ [REDACTED]. For a total net income of \$ [REDACTED] after deductions of a protected income of \$ [REDACTED] the Petitioner had a deductible of \$ [REDACTED] that she must meet before being eligible for MA. Department Exhibit 1, pgs. 36.

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 resulting in a decrease in FAP benefits and a medical spend down for MA.

DECISION AND ORDER

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

Carmen G. Fahie

CF/nr

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) 763-0155; 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

Clarence Collins
12140 Joseph Campau
Hamtramck, MI
48212

Wayne 55 County DHHS- via electronic
mail

BSC4- via electronic mail

M. Holden- via electronic mail

D. Sweeney- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

