



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]

Date Mailed: August 20, 2018
MAHS Docket No.: 18-007384
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, a telephone hearing was held on August 16, 2018, from Lansing, Michigan. Petitioner represented himself. The Department of Health and Human Services was represented by Brad Reno.

ISSUE

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for Food Assistance Program (FAP) and Medical Assistance (MA) 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. One [REDACTED], 2018, the Department received Petitioner's Assistance Application. Exhibit A, pp 5-11.
2. On June 11, 2018, the Department receive verification of Petitioner's employment. Exhibit A, pp 19-20.
3. On July 3, 2018, the Department received Petitioner's Health Care Coverage Supplemental Questionnaire (DHS-1004). Exhibit A, pp 12-15.
4. Petitioner reported to the Department that he was born on July 22, 1953. Exhibit A, p 5.

5. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED] Exhibit A, pp 44-46.
6. Petitioner's wife receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED] Exhibit A, pp 47-49.
7. Petitioner and his wife are each obligated to pay Medicare Part B premiums of \$134 per month. Exhibit A, pp 44-49.
8. On June 18, 2018, the Department notified Petitioner that he was eligible for a \$15 monthly allotment of Food Assistance Program (FAP) benefit. Exhibit A, pp 21-25.
9. On July 12, 2018, the Department notified Petitioner that he is eligible for Medical Assistance (MA) with a \$1,278 monthly deductible. Exhibit A, pp 32-41.
10. On July 17, 2018, the Department received Petitioner's request for a hearing. Exhibit A, p 5.

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.

A request for hearing must be in writing and signed by the claimant, petitioner, or authorized representative. Rule 400.904(1). Moreover, the Department of Human Services Bridges Administrative Manual (BAM) 600 (January 1, 2018), p. 6, provides in relevant part as follows:

The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing. The request must be received anywhere in DHS within the 90 days.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (January 1, 2018), p 8.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (April 1, 2017), pp 1-10.

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. Department of Health and Human Services Bridges Eligibility Manual (BEM) 105 (April 1, 2017), p 2.

Petitioner was an ongoing FAP and MA recipient when his benefits closed after the Department did not receive forms necessary to perform a routine redetermination of his eligibility for ongoing benefits. The Department's representative testified that these benefits closed around February of 2018. Petitioner's July 17, 2018, request for a hearing is not timely with respect to a February closure of benefits. Therefore, this Administrative Law Judge does not have the authority to review this closure of benefits.

On [REDACTED], 2018, Petitioner re-applied for MA and FAP benefits. Petitioner was approved for MA benefits under the Freedom to Work (FTW) category, which was the category of MA he was approved for before February of 2018.

FTW is available to a client with disabilities age 16 through 64 who has earned income. Eligibility begins the first day of the calendar month in which all eligibility criteria are met. All eligibility factors must be met in the calendar month being tested. Department of Health and Human Services Bridges Eligibility Manual (BEM) 174 (January 1, 2017), p 1.

Petitioner is [REDACTED]-years-of-age as of July 22, 2018, and he is ineligible for MA under the FTW category as of July 1, 2018, because he does not meet the age criteria in that month.

Petitioner and his wife have a monthly income that exceeds 100% of the federal poverty level. Therefore, Petitioner does not eligible for MA under the AD-CARE program, which is sometimes referred to as "full" Medicaid. Department of Health and Human Services Bridges Eligibility Manual (BEM) 163 (July 1, 2017), p 1.

Therefore, the Department determined Petitioner's eligibility for MA under the G2S category.

A review of Petitioner's case reveals that the Department budgeted the correct amount of income received by Petitioner. Petitioner's "protected income level" is \$[REDACTED] and this

amount cannot be changed either by the Department or by this Administrative Law Judge. Department of Human Services Reference Table Manual (RFT) 240 (December 1, 2013), p 1. Department's determination that the Petitioner has a \$1,278 deductible per month he must meet in order to qualify for MA for any medical expenses above is therefore correct.

Petitioner testified that he has unpaid medical expense obligations incurred in May of 2018. Petitioner has the option of applying for retroactive MA benefits covering this period, but since he has not applied yet, there has been no determination of what category of MA he may qualify for during that period.

On [REDACTED], 2018, Petitioner applied for FAP benefits as a group of two. Petitioner and his wife receive monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$1,898. Petitioner received monthly earned income from employment in the gross monthly amount of \$[REDACTED]. Petitioner's total monthly income was reduced by 20% of his earned income, the \$160 standard deduction, and a \$233 medical deduction leaving him with a \$[REDACTED] adjusted gross income. Petitioner is only eligible for a deduction for out of pocket medical expenses as a senior/disabled/veteran FAP recipient, and his \$233 deduction was determined by addition his \$134 Medicare Part B Premium to his wife's \$134 Medicare Part B Premium and the reducing that amount by the \$35 standard deduction as directed by BEM 556.

Petitioner is eligible for a \$152 excess shelter deduction, which was determined by adding his monthly \$575 housing expense to the \$537 standard heat and utility deduction, then subtracting 50% of his adjusted gross income.

Petitioner's net income of \$[REDACTED] was determined by reducing his adjusted gross income by the excess shelter deduction. A group of two with a net income of \$[REDACTED] is entitled to a \$15 monthly allotment of FAP benefits, which was prorated for June of 2018, based on his application date of [REDACTED], 2018. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2017).

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 eligibility for Medical Assistance (MA) and Food Assistance Program (FAP) as of June 1, 2018.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/hb



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) 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

Lindsay Miller
125 E. Union St 7th Floor
Flint, MI 48502

Genesee County (Union), DHHS

BSC2 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

Petitioner

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]