



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED] MI [REDACTED]

Date Mailed: September 24, 2018
MAHS Docket No.: 18-008514
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

HEARING DECISION

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; 7 CFR 273.15; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on September 19, 2018, from Lansing, Michigan. [REDACTED] Petitioner, and [REDACTED] Petitioner's Fiancé, appeared for Petitioner. Garilee Janofski, Hearing Coordinator, appeared for the Department.

One exhibit was admitted into evidence during the hearing. A 75+ page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUES

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefit amount?

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

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], 2018, Petitioner applied for FAP and MA. In Petitioner's application, Petitioner asserted that her household was composed of three individuals (including Petitioner), that her household's total monthly income was \$[REDACTED] that her household's assets were valued at a total of \$16.00, and that her current monthly housing cost was \$823.00. Petitioner asserted that she had been determined to be disabled as of October 2012. Petitioner asserted that she

receives social security disability and that she has Medicare Part A. Petitioner asserted that she pays \$328.00 per month for the premium on her Medicare supplemental insurance through Blue Cross and Blue Shield.

2. The Department reviewed Petitioner's application and obtained additional information from Petitioner during an interview. The Department determined that Petitioner receives \$1,351 per month in RSDI, Petitioner's daughter receives \$742 per month in RSDI, and Petitioner's daughter works approximately 15 hours per week at [REDACTED] where she receives \$ [REDACTED] per hour. The Department determined that Petitioner pays \$134 per month for her Medicare premium and that she pays \$638 per month for a mortgage.
3. The Department decided that Petitioner's household was eligible for FAP benefits based on a countable income of \$ [REDACTED] and a group size of three.
4. On July 14, 2018, the Department issued a Notice of Case Action to Petitioner to notify Petitioner that her household was eligible for FAP benefits of \$191.00 per month as of August 2018.
5. The Department decided that the best health care coverage available to Claimant through the Department was coverage through the Group 2 Caretaker Relatives Program. The Department decided that Petitioner was ineligible for coverage through Healthy Michigan because Petitioner had Medicare Part A. The Department did not find Petitioner eligible for coverage under the Medicare Savings Program because the Department found Petitioner's income exceeded the Department's income limit.
6. On July 16, 2018, the Department issued a Health Care Coverage Determination Notice which notified Petitioner that she was eligible for coverage with a \$956.00 monthly deductible.
7. On August 9, 2018, Petitioner filed a hearing request to dispute the amount of her FAP benefit and her health care coverage deductible.

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.

Petitioner did not establish that the Department's determination of her household's FAP benefit was not in accordance with the Department's policies and the applicable law. Petitioner agreed that the income and expenses used by the Department in its calculation of her FAP benefit were correct, and Petitioner agreed that her household was composed of three individuals. The Department used the correct income, expenses, and deductions in its FAP budget, and the Department used the correct group size when determining the monthly FAP benefit. Pursuant to the Department's Food Issuance Table in effect at the time, a monthly net income of \$1,042 and a group size of three entitles a household to a monthly FAP benefit of \$191.00. RFT 260 (October 1, 2017). The Department found Petitioner eligible for the maximum FAP benefit based on her household's monthly net income and group size.

Petitioner did not establish that the Department's determination of her health care coverage with a deductible was not in accordance with the Department's policies and the applicable law. The Department correctly determined that Petitioner was ineligible for health care coverage under the Healthy Michigan Plan because Petitioner was entitled to Medicare and an individual entitled to Medicare is ineligible for coverage under the Healthy Michigan Plan pursuant to BEM 137 (April 1, 2018). The Department correctly determined that Petitioner was ineligible for Group 1 Aged or Disabled coverage because the income limit for coverage was \$1,005 per month (100% of the Federal Poverty Level) and Petitioner's countable income of \$[REDACTED] per month exceeded the limit. BEM 163 (July 1, 2017) and RFT 242 (April 1, 2018). Since Petitioner was ineligible for health care coverage through the Healthy Michigan Plan and the Group 1 Aged or Disabled, the Department correctly determined that the best coverage available to Petitioner was Group 2 Caretaker Relatives with a deductible.

The Department correctly determined Petitioner's monthly deductible of \$956.00 for health care coverage through the Group 2 Caretaker Relatives program. The Department used Petitioner gross monthly RSDI of \$1,485.00, disregarded \$20.00, and subtracted her Medicare premium of \$134.00 to come up with her monthly net income of \$[REDACTED] in accordance with BEM 135 (October 1, 2015), BEM 500 (July 1, 2017), BEM 541 (January 1, 2018), and BEM 544 (July 1, 2016). The Department then subtracted the protected income level of \$375.00 to come up with Petitioner's monthly deductible of \$956.00. RFT 200 (April 1, 2017) and RFT 240 (December 1, 2013).

The Department correctly determined that Petitioner was ineligible for coverage through the Medicare Savings Program because the income limit for coverage was \$1,376.75 per month (135% of the Federal Poverty Level) and Petitioner's countable income of \$[REDACTED] per month exceeded the limit. BEM 165 (January 1, 2018) and RFT 242.

For the Group 1 Aged or Disabled program, the Group 2 Caretaker Relatives program, and the Medicare Savings program, the Department correctly treated Petitioner as a group size of one. These are all SSI-related health care coverage programs, and the group size for SSI-related health care coverage is only the adult and her spouse. BEM 211 (January 1, 2016). Since Petitioner was not married, her group was appropriately limited to just her.

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 did act in accordance with its policies and the applicable law when it issued its July 14, 2018, Notice of Case Action on her FAP benefits and its July 16, 2018, Health Care Coverage Determination Notice.

IT IS ORDERED that the Department's decisions are AFFIRMED.

JK/nr



Jeffrey Kemm
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

Lori Teal
201 Commerce Dr
Ithaca, MI
48847

Gratiot County DHHS- via electronic mail

BSC2- via electronic mail

M. Holden- via electronic mail

D. Sweeney- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

[REDACTED]
[REDACTED], MI
[REDACTED]