RICK SNYDER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM Christopher Seppanen Executive Director

SHELLY EDGERTON



Date Mailed: August 25, 2017

MAHS Docket No.: 17-005816-RECON

Agency No.: Petitioner:

SUPERVISING ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

DECISION AND ORDER OF RECONSIDERATION

This matter is before the undersigned Supervising Administrative Law Judge pursuant to Petitioner and her husband's timely Request for Reconsideration of the Hearing Decision generated by the assigned Administrative Law Judge at the conclusion of the hearing conducted on 2017, and mailed on 2017, in the above-captioned matter.

The rehearing and reconsideration process is governed by the Michigan Administrative Code, Rule 792.11015, et seq., and applicable policy provisions articulated in the Bridges Administrative Manual (BAM), specifically BAM 600, which provide that a rehearing or reconsideration must be filed in a timely manner consistent with the statutory requirements of the particular program that is the basis for the client's benefits application, and **may** be granted so long as the reasons for which the request is made comply with the policy and statutory requirements.

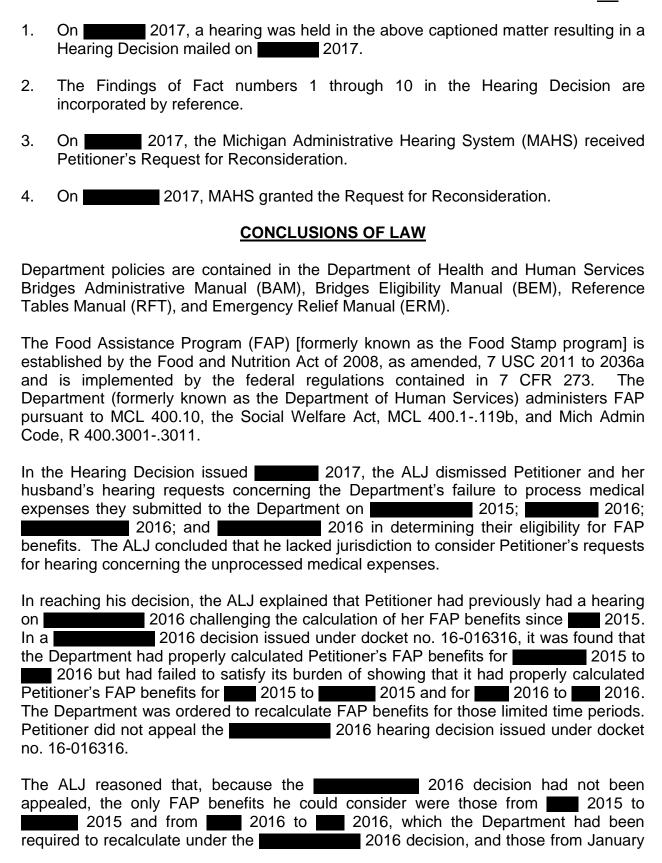
This matter having been reviewed, an Order Granting Reconsideration was mailed on 2017.

ISSUE

Did the ALJ misapply Department of Health and Human Services (Department) policy in dismissing Petitioner's hearing requests concerning the Department's failure to process medical expenses in the calculation of her Food Assistance Program (FAP) benefits?

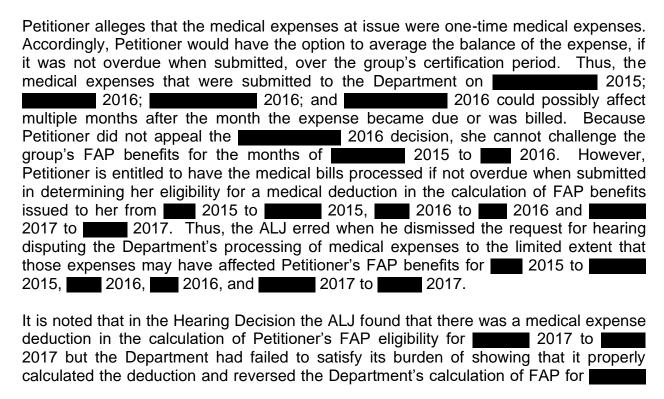
FINDINGS OF FACT

The undersigned Administrative Law Manager, based upon the competent, material, and substantial evidence on the whole record, finds as material fact:



2017 to 2017, which were the subject of a Notice of Case Action Petitioner had timely appealed. The ALJ concluded that because the medical expenses at issue were not submitted during those time periods, he lacked the authority to address the issue of the Department's processing of those expenses.

Department policy provides that individuals who are senior/disabled/veteran (SDV) members of a FAP group are eligible for a medical expense deduction in calculating FAP eligibility for verified out-of-pocket medical expenses in excess of \$35 incurred by the SDV member of the group. BEM 554 (January 2017), p. 1; BEM 556 (July 2013), pp. 4-5; BEM 550 (January 2017), p. 1. For a one-time medical expense, a FAP group that does not have a 24-month benefit period may choose to budget the expense for one month or average it over the balance of the benefit period, with the expense allowed in the first benefit month the change can affect. BEM 554, pp. 8-9. A FAP group that has a 24-month benefit period and a medical expense billed or due within the first 12 months of the benefit period must be given the option to budget the expense for one month, average it over the remainder of the first 12 months of the benefit period, or average it over the remainder of the 24-month benefit period. BEM 554, p. 9. The medical bill cannot be overdue when submitted to the Department, which means that the bill is currently incurred (for example, in the same month or ongoing), currently billed (the client received the bill for the first time for a medical expense provided earlier and the bill is not overdue), or payment arrangements were made by the client before the medical bill became overdue. BEM 554, pp. 11-12. The expense is allowed for the first benefit month the change can affect. BEM 554, p. 9.



2017 to 2017. As such, it is possible that the Department may have properly processed the medical expense deductions at issue for those months.

Based on the above Findings of Fact and Conclusions of Law, the ALJ misapplied manual policy or law in the Hearing Decision.

DECISION AND ORDER

Accordingly, the ALJ's decision is **REVERSED IN PART** with respect to dismissal of Petitioner's hearing request alleging that the Department failed to process medical expense in the calculation of her FAP benefits.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION ON RECONSIDERATION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Determine Petitioner's eligibility for a medical expense deduction to her FAP benefits for 2015 to 2015, 2016 to 2016, and 2017 to 2017 based on the medical expenses submitted to the Department on 2015; 2016; 2016; 2016; and 2016.
- 2. If Petitioner is eligible for a medical expense deduction to her FAP budget, recalculate her monthly FAP budget for 2015 to 2015, 2016 to 2016, and 2017 to 2017, as applicable, to take into consideration any medical expense deduction Petitioner is eligible to receive;
- 3. Issue supplements to Petitioner for any FAP benefits she was eligible to receive but did not, if any, for 2015 to 2015, 2016 to 2016 and from 2017 to 2017; and
- 4. Notify Petitioner in writing of its decision.

Alice C. Elkin

Supervising 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.

DHHS

Lori Duda 30755 Montpelier Drive Madison Heights, MI 48071

Petitioner

