



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
SUZANNE SONNEBORN  
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA  
ACTING DIRECTOR

██████████  
██████████  
██████████ MI ██████████

Date Mailed: January 29, 2024  
MOAHR Docket No.: 23-009039  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE: Aaron McClintic**

### **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 16, 2024, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by AP Supervisor Richard Merrill. Department Exhibit 1, pp. 1-48 was received and admitted.

### **ISSUE**

Did the Department properly determine Petitioner's Medical Assistance (MA) eligibility and deductible amount and his Food Assistance Program (FAP) benefit amount?

### **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 ██████████ 2023, Petitioner applied for MA and FAP.
2. On November 7, 2023, Petitioner was approved for \$23 in FAP and MA-PlanFirst and MA-G2 with a \$1,451 deductible.
3. On December 1, 2023, Petitioner requested a hearing disputing the determination of FAP and MA.
4. Petitioner receives ██████████ monthly in social security benefits.

## **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.

### **RULES FOR MA GROUP 2 INCOME ELIGIBILITY**

Use the following rules to determine MA Group 2 income eligibility. The individual must be given the most advantageous use of their old bills (also known as incurred expenses). The individual may request coverage for the current month, up to six future months (see eligibility based on old bills in this item), and for any prior months. 1. Use the budgeting rules in BEM 530. Determine income eligibility in calendar month order, starting with the oldest calendar month. 2. Use BEM 546 to determine the post-eligibility patient-pay amount (PPA) for each L/H month that a beneficiary is Group 2 eligible. 3. Determine Medicare Savings Program eligibility separately for Group 2 beneficiaries entitled to Medicare Part A (see BEM 165). 4. Request information about all medical expenses incurred during and prior to each month with excess income. 5. Notify the group of the outcome of each determination. NOTIFICATION explains which forms to use and when. BEM 546

In this case, with regard to MA, Petitioner has unearned income totaling [REDACTED] from social security. Following the \$20 disregard, Petitioner has [REDACTED] net income. After subtracting \$408 for the protected income amount from the [REDACTED] net income amount there is [REDACTED] remaining, which is the deductible amount. This was the deductible amount determined by the Department and it was proper and correct and consistent with Department policy. BEM 546

In this case, with regard to FAP, Petitioner has unearned income totaling [REDACTED]. After subtracting the \$198 standard deduction, Petitioner has [REDACTED] adjusted gross income.


After subtracting the \$683 excess shelter deduction, Petitioner has net income of [REDACTED]. A household of one with net income of [REDACTED] is entitled to \$23 in FAP benefits. This was the benefit amount determined by the Department and it was proper and correct and consistent with Department policy. BEM 556

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 MA eligibility and deductible amount and when it determined Petitioner's FAP benefit amount.

**DECISION AND ORDER**

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

AM/cc

  
\_\_\_\_\_  
**Aaron McClintic**  
Administrative Law Judge

**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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-8139

**Via-Electronic Mail :**

**Interested Parties**

MDHHS-Monroe-Hearings  
BSC4-HearingDecisions  
N. Denson-Sogbaka  
B. Cabanaw  
M. Holden  
EQADHearings  
M. Schaefer  
MOAHR

**Via-First Class Mail :**

**Petitioner**

██████████  
██████████  
██████ MI ██████