



STATE OF MICHIGAN

GRETCHEN WHITMER  
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

MARLON I. BROWN, DPA  
ACTING DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: September 26, 2023  
MOAHR Docket No.: 23-005114  
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 September 20, 2023, from Lansing, Michigan. Petitioner represented himself and [REDACTED] testified on his behalf. The Department was represented by Lori Turner.

**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. On July [REDACTED] 2023, the Department received Petitioner’s application for Food Assistance Program (FAP) benefits as a household of two including himself and his daughter. Exhibit A, pp 12-13.
2. Petitioner reported on his July [REDACTED] 2023, application form that he received Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED] Exhibit A, p 16.
3. Petitioner reported that he is responsible for monthly rent of \$[REDACTED] and he is responsible for heating expenses separate from his rent. Exhibit A, p 17.
4. Social Security records indicate that Petitioner received Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$[REDACTED] and is responsible for a monthly premium for Medicare Part B of \$[REDACTED] Exhibit A, pp 19-20.

5. On July █ 2023, the Department notified Petitioner that he was eligible for Medical Assistance (MA) with a \$█ monthly deductible. Exhibit A, p 31.
6. On August █ 2023, the Department notified Petitioner that he was eligible for a \$█ monthly allotment of Food Assistance Program (FAP) benefits effective September 1, 2023. Exhibit A, p 24.
7. On August 10, 2023, the Department received Petitioner's request for a hearing. Exhibit A, pp 3-8.

### **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 Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396 through 42 USC 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 through 42 CFR 420.25. The Department administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.103 through MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.*

The Food Assistance Program (FAP) is funded under the federal Supplemental Nutrition Assistance Program (SNAP) established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 through 7 USC 2036a. It is implemented by the federal regulations contained in 7 CFR 273. The Department administers FAP pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq.*, and Mich Admin Code, R 400.3001 through 400.3011.

All earned and unearned income available is countable unless excluded by policy. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned income. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (April 1, 2022), pp 1-17.

Petitioner applied for food assistance benefits as a household of two. Petitioner receives social security benefits in the gross monthly amount of \$█ which exceeds the gross monthly limit for a household of two to receive any food assistance, but because Petitioner is over 64 years old, that limit does not apply to him. Petitioner correctly testified that this is not the amount of social security benefits that he receives each month, but it is Department policy to apply gross income towards eligibility for benefits and not the amount he actually receives as directed by BEM 500.

Petitioner's monthly adjusted gross income of \$[REDACTED] was determined by reducing his total income by the \$193 standard deduction and a \$165 deduction for medical expenses. It was not disputed that Petitioner is responsible for a \$[REDACTED] premium payment for his Medicare Part B copayment, and the Department granted him the standard monthly medical deduction. Petitioner testified that he is also responsible to pay a premium for supplemental medical coverage, but no evidence was presented on the record that Petitioner verified this expense. Petitioner's child testified that bank statements were provided that show the premium being deducted from Petitioner's bank account, but this is insufficient to verify that medical expense. If Petitioner provided a copy of an invoice for that expense, is eligibility for food assistance in the future will change.

Petitioner is entitled to a \$[REDACTED] deduction for shelter expenses, which was determined by reducing the total of his \$[REDACTED] monthly housing expenses and the \$624 standard heat and utility deduction by 50% of his adjusted gross income. This large shelter deduction exceeds the \$624 shelter deduction maximum, but that limit does not apply to food assistance recipients over 64 years old.

Petitioner's net monthly income of \$[REDACTED] was determined by reducing his adjusted gross income by the shelter deduction. A household of two with a net income of \$[REDACTED] is entitled to a \$[REDACTED] monthly allotment of food assistance benefits. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2022), p 11.

Petitioner applied for MA benefits on July [REDACTED] 2023. Petitioner is over the age of 64 and he reported assets less than \$2,000. Petitioner would be eligible for full coverage MA benefits if his income was less than the federal poverty level, but since Petitioner's social security benefits place him at 188% of the federal poverty level, he is not eligible for full coverage MA with no monthly deductible. Department of Health and Human Services Bridges Eligibility Manual (BEM) 163 (July 1, 2017), p 1.

A review of Petitioner's case reveals that the Department budgeted correct amount of income received by the Petitioner. Petitioner's "protected income level" is \$500, 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 \$[REDACTED] deductible per month she must meet in order to qualify for MA for any medical expenses above is therefore correct.

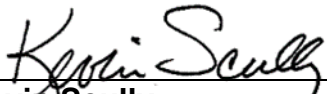
Petitioner argued that his fixed income is insufficient to afford a \$[REDACTED] monthly premium for MA benefits, but this amount is not a medical premium. The monthly deductible is an amount of medical expense that Petitioner must incur before becoming eligible for MA benefits in that month.

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 Food Assistance Program (FAP) Medical Assistance (MA).

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/dm

  
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**Kevin Scully**  
Administrative Law Judge  
Michigan Office of Administrative Hearings  
and Rules (MOAHR)

**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 :**

**DHHS**  
Tara Roland 82-17  
Wayne-Greenfield/Joy-DHHS  
**MDHHS-Wayne-17-  
hearings@michigan.gov**

**HoldenM**

**SweeneyD1**

**SchaferM**

**EQADHearings**

**BSC4HearingDecisions**

**Via-First Class Mail :**

**Petitioner**

[REDACTED]

[REDACTED]

[REDACTED]

**Authorized Hearing Rep.**

[REDACTED]

[REDACTED]

[REDACTED]