



Date Mailed: March 20, 2025

Docket No.: 25-003466

Case No.: [REDACTED]

Petitioner: [REDACTED]

This is an important legal document. Please have someone translate the document.

هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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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; and Mich Admin Code, R 792.11002. After due notice, a hearing was held via telephone conference on March 11, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Michelle Morley, Assistance Payments Supervisor.

ISSUE

Was Petitioner's request for hearing contesting the Department's determination of her eligibility for Medical Assistance (MA) ripe for hearing?

Did the Department properly determine Petitioner's 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. At all relevant times, Petitioner was an ongoing FAP recipient.
2. Petitioner was the sole member of her household. Exhibit A, p. 7.

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3. Petitioner had monthly unearned income from the Social Security Administration in the form of Retirement, Survivors, and Disability Insurance (RSDI) in the gross amount of [REDACTED] Exhibit A, p.
 4. On October 1, 2024, Department sent a Mid-Certification Contact Notice to Petitioner, advising her that it was time to complete her annual review for FAP eligibility, and she was required to complete and submit the annual review form by October 21, 2024. Exhibit A, pp. 65-67.
 5. On November 15, 2024, following the Department's review of the Mid-Certification Contact form completed by Petitioner, the Department issued a Verification Checklist to Petitioner requesting verification of her medical expenses for the purposes of a medical deduction for her FAP case and verification of her checking/savings account. Petitioner was instructed to provide verification to the Department by November 25, 2024. Exhibit A, pp. 68-69.
 6. On December 8, 2024, the Department received a medical bill from Petitioner in the amount of \$100. Exhibit A, p. 18. Other medical bills were reviewed by and ultimately rejected by the Department. The Department determined that some of the medical bills submitted did not meet necessary requirements to be used for medical expenses (i.e., missing Petitioner's name and date of service). Exhibit A, pp. 19-22.
 7. On January 8, 2025, the Department issued a Notice of Case Action (NOCA) to Petitioner informing her that she was approved for ongoing FAP benefits in the amount of \$23 for December 1, 2024 through December 31, 2024, \$77 for January 1, 2025 through January 31, 2025, and \$23 per month for February 1, 2025 ongoing. Exhibit A, pp. 7-11.
 8. On January 9, 2025, the Department received a hearing request from Petitioner disputing the Department's FAP benefit determination for February 2025 ongoing, MA eligibility determination, and Petitioner alleged mistreatment and misconduct from the Department. Exhibit A, pp. 4-6.
 9. On January 28, 2025, the Department issued a NOCA to Petitioner informing her that her FAP monthly benefit amount would increase to \$77 effective February 1, 2025 ongoing. Exhibit B, pp. 1-5. Petitioner's FAP budget on the Notice included a medical deduction of \$165. Exhibit B, p. 2.

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).

Medical Assistance

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.

Per Department policy, the Michigan Office of Administrative Hearings and Rules may grant a hearing about any of the following: (i) denial of an application and/or supplemental payments; (ii) reduction in the amount of program benefits or service; (iii) suspension or termination of program benefits or service; (iv) restrictions under which benefits or services are provided; (v) delay of any action beyond standards of promptness; or (vi) for FAP only, the current level of benefits or denial of expedited service. BAM 600 (April 2018), p. 5.

Petitioner indicated on her January 9, 2025 hearing request that she wanted a hearing concerning MA. Exhibit A, pp. 4-5. At the hearing Petitioner further explained that the Department had not yet redetermined her MA eligibility at the time of the request. Upon review of MOAHR records, it shows that on January 24, 2025, Administrative Law Judge (ALJ) Colleen Lack issued a Hearing Decision under MOAHR Docket No. 24-013386. In that Hearing Decision, ALJ Lack concluded that MDHHS failed to establish that it properly determined Petitioner's eligibility for MA as of October 1, 2024, in accordance with MDHHS policy. The Department was ordered to begin redetermining Petitioner's MA eligibility, within 10 days of the date of the Hearing Decision. On January 31, 2025, MOAHR received a completed Certification form from MDHHS, which indicated that MDHHS started complying with the ALJ's order.

Petitioner's request for hearing to contest the Department's MA eligibility determination is **DISMISSED** because it was premature and not ripe for hearing, as the Department had not completed its MA eligibility determination at the time the request was filed. The Department testified credibly that a Health Care Coverage Determination Notice was issued to Petitioner on February 5, 2025, informing her that she was approved for MA subject to a monthly deductible in the amount of \$1,059 and MSP coverage under the SLMB program. Petitioner has the right to request another hearing within 90 days of the February 5, 2025 Notice if she disagrees with this MA eligibility determination.

Discrimination Allegations

In her hearing request, Petitioner alleged that certain department employees were discriminating against her. A complaint as to alleged misconduct or mistreatment by a state employee shall not be considered through the administrative hearing process but shall be referred to the department personnel director. Mich Admin Code, R 792.11002(3). Therefore, Petitioner's hearing request related to allegations of discrimination is therefore **DISMISSED** for lack of jurisdiction.

Food Assistance Program

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.

In this case, Petitioner was an ongoing FAP recipient. In October 2024, Petitioner completed a Mid-Certification Contact form related to her FAP benefits. The Department determined that Petitioner was eligible for FAP benefits in the amount of \$23 for December 1, 2024 through December 31, 2024, \$77 for January 1, 2025 through January 31, 2025, and \$23 per month for February 1, 2025 ongoing. Petitioner's FAP benefit amount was later increased to \$77 per month beginning February 1, 2025 ongoing. At the hearing, Petitioner disputed the FAP benefit amount for February 1, 2025 ongoing. The Department presented a FAP budget to establish the calculation of Petitioner's FAP benefit amount. Exhibit A, pp. 13-17.

All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits. BEM 500 (April 2022), pp. 1-5. The Department considers the gross benefit amount of SSA-issued RSDI as unearned income. BEM 503 (October 2024), p. 30. The FAP budget provided by the Department showed unearned income of [REDACTED] which the Department explained was RSDI benefits Petitioner received monthly. Petitioner confirmed that she received [REDACTED] in monthly gross unearned income. Petitioner reported no current earned income or self-employment income. Therefore, the Department properly calculated Petitioner's income amount.

For groups containing senior, disabled, or disabled veteran (S/D/V) members, such as Petitioner's, the Department considers only the following deductions to income: a standard deduction, childcare expenses, court-ordered child support and arrearages paid to non-household members, the medical expenses above \$35 for each S/D/V group member, and an uncapped excess shelter deduction. BEM 554 (January 2025), p. 1. Petitioner's FAP benefit group size of one justifies a standard deduction of \$204.00. RFT 255 (October 2024), p. 1. The Department properly included the standard deduction in Petitioner's household budget.

A S/D/V group that has a verified one-time or ongoing medical expense(s) of more than \$35.00 for the S/D/V member will receive the Standard Medical Deduction (SMD). The SMD is \$165.00. If the group has actual medical expenses, which are more than the SMD, they have the option to verify their actual expenses instead of receiving the SMD. BEM 554, p. 9. While Petitioner provided multiple medical bills to the Department, only one the bills in the amount of \$100 was deemed acceptable by the Department. The other bills could not be accepted allowable medical expenses because they lacked necessary identifiers such as Petitioner's name and dates of service. BEM 554 outlines what is considered an allowable and verifiable medical expense. BEM 554 (January 2025), pp. 9-14; Exhibit A, p. 16.

Because Petitioner verified an allowable medical expense in the amount of \$100, the Department properly included the \$165 SMD in Petitioner's budget. Petitioner's gross income of [REDACTED] less the \$204 standard deduction and the \$165 SMD, resulted in adjusted gross income in the amount of [REDACTED] (Exhibit A, p. 15).

The Department noted Petitioner's housing expenses as \$250, and Petitioner confirmed that this information was correct. Petitioner also confirmed that she is required to cover the expenses of her utilities. The Department credited Petitioner with a heat/utility (h/u) standard credit of \$664.00. RFT 255, p. 1. Generally, the h/u credit covers all utility expenses and is the maximum credit available. Petitioner's total shelter obligation, the sum of the housing expenses she is responsible for paying and the \$664 h/u standard, is \$914.

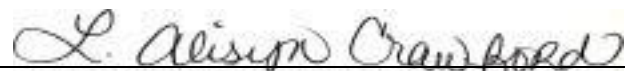
The Department only credits FAP SDV groups with an "excess shelter" expense. The excess shelter expense is calculated by subtracting half of the adjusted gross income from the total shelter obligation. Petitioner's excess shelter amount is \$371.00.

Next, the FAP benefit group's net income is determined by subtracting the excess shelter expense from the group's adjusted gross income; doing so results in [REDACTED] in net income for Petitioner. Department policy at RFT 260 (October 2024), p. 10 shows that based on Petitioner's group size and net income, Petitioner's proper FAP benefit issuance is \$77, the same amount that was calculated by the Department on January 28, 2025. Thus, the Department properly determined Petitioner's FAP eligibility.

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 acted in accordance with Department policy when it determined Petitioner to be eligible for \$77 in monthly FAP benefits.

Accordingly, Petitioner's hearing request related to Petitioner's MA eligibility and allegations of discrimination is, therefore, **DISMISSED**. The Department's decision related to Petitioner's FAP benefit amount effective February 1, 2025 is **AFFIRMED**.



L. ALISYN CRAWFORD
ADMINISTRATIVE LAW JUDGE

APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://lrs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

Via Electronic Mail:

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