



Date Mailed: November 21, 2025
Docket No.: 25-037744
Case No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED]
MI [REDACTED]

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

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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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Docket No.: 25-037744

Case No.: [REDACTED]

Petitioner: [REDACTED]

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 November 13, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Devona Gilbert, Hearing Facilitator (HF).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-39 and the Department's additional documentation was admitted as Exhibit B, pp. 1-4.

ISSUE

Did the Department properly determine Petitioner's eligibility for Food Assistance Program (FAP) and Medicare Savings Program (MSP) 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 September 16, 2025, Petitioner submitted a Semi-Annual Contact Report. The household members were Petitioner and two children. The listed income was RSDI benefits for the two children and other income for Petitioner. (Exhibit A, pp. 8-10)
2. On September 22, 2025, a Notice of Case Action was issued to Petitioner stating FAP benefits were denied effective October 1, 2025 based on income exceeding the net income limit. The budgeted unearned income for the household was \$ [REDACTED]. (Exhibit A, pp. 15-19 and 22-23)
3. On September 22, 2025, a Health Care Coverage Determination Notice was issued to Petitioner stating Petitioner was not eligible for MSP benefits effective May 1, 2025, due to income exceeding the limit for this program and because she was not eligible for QMB in the month in which she applied. (Exhibit A, pp. 26-28)
4. On October 7, 2025, Petitioner filed a hearing request contesting the Department's determinations. (Exhibit A, pp. 4-6)

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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.

A non-categorically eligible Senior/Disabled/Veteran (SDV) FAP group must have income below the net income limits. A non-categorically eligible, non-SDV FAP group must have income below the gross and net income limits. BEM 550, April 1, 2025, p. 1. For a group size of three, the FAP monthly net income limit was \$2,221.00 effective October 1, 2025. RFT 250, October 1, 2025, p. 1.

There are four categories that make up the MSP: Qualified Medicare Beneficiaries (QMB); Specified Low-Income Medicare Beneficiaries (SLMB); Additional Low-Income Medicare Beneficiaries (ALMB); and Non-Categorically Eligible Michigan Beneficiary (NMB). Income is the major determiner of category. For QMB net income cannot exceed 100% of poverty. For SLMB net income is over 100% of poverty, but not over 120% of poverty. For ALMB net income is over 120% of poverty, but not over 135% of poverty. For NMB, income and assets above allowed ALMB limits but have full coverage Medicaid with Medicare part A/B entitlement. BEM 165, July 1, 2024, p. 1.

For the MSP, the Department is to use fiscal and asset group policies for SSI-related groups in BEM 211. The Department is also to determine countable income according to the SSI-related MA policies in BEM 500, 501, 502, 503, 504 and 530, except as explained in COUNTABLE RSDI in this item. Apply the deductions in BEM 540 (for children) and 541 (for adults) to countable income to determine net income. BEM 165, p. 8.

RFT 242 addresses the income limits for the MSP categories. Effective April 1, 2025, for a group size of one the income limit for QMB is \$1,325.00; for SLMB the income limit is \$1,325.01 to \$1,585.00; and for ALMB the income limit is \$1,585.01 to \$1,781.00. The RFT 242 policy notes that these amounts are the applicable percentage of the federal poverty limit plus the \$20.00 disregard for RSDI income. RFT 242, April 1, 2025, p. 1

Court-ordered direct support means child support payments an individual receives directly from the absent parent or the MiSDU. Count the total amount as unearned income, except any portion that is court-ordered or legally obligated directly to a creditor or service provider. BEM 503, October 1, 2025, p. 9.

In this case, Petitioner asserted that the Department did not correctly budget child support income.

The Department submitted copies of the FAP budgets from before and after the semi-annual was processed. The budget before semi-annual is for the benefit period of September 2025, shows a household size of three, and includes \$ [REDACTED] for unearned income. After allowable deductions, the group's net income was \$ [REDACTED]. (Exhibit A, pp. 20-21). The budget after semi-annual is for the benefit period of October 2025, shows a household size of three, and includes \$ [REDACTED] for unearned income. After allowable deductions, the group's net income was \$ [REDACTED] (Exhibit A, pp. 22-23). The Department also submitted copies of the income breakdown from before and after the semi-annual was processed. However, there are no changes with the listed figures for each type of income for each individual on the two screen shots. Accordingly, it is unclear how the calculated countable unearned income shown on each screen shot was \$ [REDACTED] before the semi-annual and \$ [REDACTED] after the semi-annual was processed when same amounts are listed for each type of income for each individual. It is also unclear why on both of these breakdowns the child support amounts increased from \$ [REDACTED] in the budget amount column to \$ [REDACTED] in the FAP budget amount column. (Exhibit A, pp. 24-25). The Consolidated Income Inquiry report shows that in September 2025, each child received a monthly total of \$ [REDACTED] for Child Support Direct (Court Ordered). The only other documented child support payment type was certified medical and each child only received a monthly total of \$ [REDACTED]. Both types of child support payments were also the same in July and August 2025 for both children. (Exhibit B, pp. 1-4). Accordingly, it is unclear why the income breakdowns indicate the child support frequency was irregular and what the FAP Budget Amounts of \$ [REDACTED] were based on. Additionally, it does not appear that the list figures on the income breakdowns actually add up to either \$ [REDACTED] or \$ [REDACTED]. (Exhibit A, pp. 24-25). Rather, it appears that the system listed income amounts that were more recently updated despite the selected benefit period. (Exhibit A, p. 38).

The Department also submitted a copy of a MAGI eligibility Determination screenshot showing the income counted for MA benefits for MAGI related MA categories, such as the MA-U19 category for Petitioner's children. (Exhibit A, p. 30). However, the MSP determination Petitioner filed the hearing request to contest is not a MAGI related MA

category. Pursuant to the BEM 165 policy, for the MSP the Department is to determine countable income according to the SSI-related MA policies.

The Department indicated that after the hearing request was filed, income was updated and eligibility was re-determined for FAP and MSP benefits. While the FAP eligibility was still denied based upon excess income, it appears the MSP denial was now based on excess assets. However, there is no jurisdiction to review the determinations that occurred after the hearing request was filed and the available evidence is not sufficient to review these determinations. Additional documentation should be provided to fully review the FAP and MSP determinations. For example, documentation showing how the excess shelter deduction amount was determined as this is a deduction included in the FAP net income calculation. Similarly, documentation related to the Petitioner's assets would be needed to review the excess asset determination for the MSP.

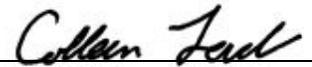
DECISION AND ORDER

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined Petitioner's eligibility for FAP and MSP benefits for the September 22, 2025 determinations.

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

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

1. If they have not already done so, redetermine Petitioner's eligibility for FAP as of the October 1, 2025 effective date and redetermine Petitioner's eligibility for MSP as of the May 1, 2025 effective date in accordance with Department policy. This would include providing written notice of the new determinations.



COLLEEN LACK
ADMINISTRATIVE LAW JUDGE

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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: **Respondent**
SAGINAW COUNTY DHHS
411 E GENESEE AVE
PO BOX 5070
SAGINAW, MI 48607
MDHHS-SAGINAW-HEARINGS@MICHIGAN.GOV

Via First Class Mail: **Petitioner**
[Redacted]
[Redacted]
[Redacted] MI [Redacted]