

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],
Claimant

Reg No: 2009-12192
Issue No: 3002, 1015
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
May 11, 2009
Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Jeanne M. VanderHeide

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was conducted on May 11, 2009. The Claimant appeared and testified along with her husband, [REDACTED]. [REDACTED] was present and interpreted. Shameika Smith, FIS appeared on behalf of the Department.

ISSUE

Whether the Department properly computed the Claimant's Food Assistance ("FAP") and cash assistance ("FIP") benefits effective 1/29/09.

FINDINGS OF FACT

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

1. The Claimant is a FAP and FIP recipient.
2. Claimant's FIP and FAP case underwent annual review in January, 2009.

3. A new SOLQ was run to verify Claimant's household SSA income.
4. Claimant has a group size of six (6) people.
5. On January 29, 2009, the Department recalculated Claimant's FAP budget including rent costs in the amount of \$550.00/month, claimant paying all utilities and excess medical in the amount of \$96.00/month. (Exhibit 2, p. 3-4).
6. The Department determined that Claimant should receive \$952.00 per month in FAP benefits.
7. The Claimant testified that her rent is \$550.00/month.
8. The Claimant testified she is responsible for heat and electricity.
9. The Claimant testified that he pays \$96.40/month for Medicaid premium.
10. The Claimant receives the following SSA household income:

██████████ RSDI.....	\$691.40
██████████ RSDI.....	\$3.00
██████████	\$3.00
██████████	\$3.00
██████████	\$3.00

11. Claimant also received \$163.00/month in FIP benefits.
12. Claimant objected to the FAP and FIP calculations and filed this appeal. The Department received the Claimant's Request for Hearing on January 20, 2009.

CONCLUSIONS OF LAW

A. FAP

The Food Assistance Program, formerly known as the Food Stamp ("FS") program, is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal

regulations contained in Title 7 of the Code of Federal Regulations (“CFR”). The Department of Human Services (“DHS”), formally known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et. seq.* and MAC R 400.3001-3015. Departmental policies are found in the Program Administrative Manual (“PAM”), the Program Eligibility Manual (“PEM”), and the Program Reference Manual (“PRM”).

The federal regulations define household income to include unemployment compensation benefits. 7 CFR 273.9(b). All monthly income must be converted to a nonfluctuating monthly amount. Only 80% of earned income is counted in determining FAP benefits. PEM 550. Under 7 CFR 273.9, as amended, \$135.00 is deducted from the gross income of FAP recipients in determining FAP grants. Under 7 CFR 273.9 deductions for excess shelter are also made. PEM 554. Household groups that do not have a Senior/Disabled veteran (SDV) member are given a standard deduction of \$35.00/month for medical expenses. Id. There is a standard heat and utility deduction as well as a standard deduction for telephone bills. Id. The standard deductions are a set amount that is applied regardless of the actual expenses incurred by the Claimant.

In the present case, according to the aforementioned policy on budgeting, Claimant has a net monthly income of \$0.00 after consideration of excess medical expenses. This was obtained by subtracting the standard deduction of \$188.00 and the excess shelter amount of \$811.00 from the gross income of \$828.00. The amount of food assistance allotment is established by regulations at 7 CFR 273.10. A household of two people with a net monthly income of \$0.00 in January of 2009 was entitled to a monthly FAP grant of \$838.00 per month. RFT 260.

Based upon the foregoing facts and relevant law, it is found that the Department’s FAP determination is AFFIRMED.

B. FIP

The Family Independence Program (“FIP”) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services administers the FIP program pursuant to MCL 400.10, *et seq* and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (“ADC”) program effective October 1, 1996. Department policies are found in the Program Administrative Manual (“PAM”), the Program Eligibility Manual (“PEM”), and the Program Reference Manual (“PRM”).

The eligible group must be in financial need to receive benefits. Need is determined to exist when budgetable income is less than the payment standard established by the department. Program, living arrangement, grantee status and eligible group size are variables that affect the payment standard. PEM 515, p. 1. Specifically, Financial need exists when the eligible group passes both the “Deficit Test” and the “Child Support Income Test.” To perform the deficit test, subtract the program group’s budgetable income from the eligible group’s payment standard (PEM 515) for the benefit month. To meet the child support income test, the FIP group’s countable income plus the amount of certified support (or amount of support to be certified) must be less than the eligible group’s payment standard. PEM 518.

The payment standard for a group of six, such as the instant case, is \$828.00. RFT 210. Claimant’s household RSDI income used in the 1/29/09 budget was \$665.00. Claimant, therefore, had a \$163.00 deficit which would, in turn, be the amount of the FIP award. The Department’s FIP decision is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department properly calculated the Claimant's FAP and FIP allotment.

Accordingly, the Department's FAP and FIP 1/29/09 eligibility determination is AFFIRMED.

/s/

Jeanne M. VanderHeide
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 05/13/09

Date Mailed: 05/14/09

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

JV/dj

cc:

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