

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: 2009-16087
Issue No: 3002
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
April 6, 2009
Oscoda County DHS

ADMINISTRATIVE LAW JUDGE: Tyra L. Wright

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon Claimant's request for a hearing. After due notice, a hearing was held on April 6, 2009. The Claimant and her husband personally appeared and testified. An office manager represented the Department.

ISSUE

Did the Department properly compute the Claimant's Food Assistance (FAP) benefits?

FINDINGS OF FACT

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

- (1) Claimant is a FAP benefits recipient for a group size of two. Claimant received \$202 in monthly benefits prior to her re-determination.
- (2) Claimant's FAP case was due for re-determination in March 2009. Consequently, Claimant completed an application, DHS-1171, on February 24, 2009.

- (3) Claimant receives monthly SSI income in the amount of [REDACTED] and her husband receives monthly SSI income of [REDACTED] and monthly RSDI income of [REDACTED].
- (4) Claimant did not disagree with the income amount the Department included in the budget.
- (5) Claimant had a homeowner's insurance expense from about April 2008 through June 2008. Claimant stopped paying the homeowner's insurance as of June 2008 due to an increase in the insurance cost. She stopped the insurance because she expected to find less expensive homeowner's insurance.
- (6) Claimant did not provide verification of a home insurance expense to the Department.
- (7) When the Department worker calculated the budget for March 2009, the worker did not include an expense for homeowner's insurance. (Exhibit 8).
- (8) The March 2009 budget resulted in a monthly allotment of \$149.00. (Exhibit 8).
- (9) The Department received Claimant's hearing request on March 5, 2009. (Exhibit 5).

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (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 (formerly known as the Family Independence Agency) administers the FAP program pursuant to MCL 400.10, et seq., and MAC R 400.3001-3015. Department policies are

found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM), and the Program Reference Manual (PRM).

Federal law requires that FAP recipients meet income eligibility standards to receive benefits:

Income and deductions.

(a) *Income eligibility standards.* Participation in the Program shall be limited to those households whose incomes are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Households which contain an elderly or disabled member shall meet the net income eligibility standards for the Food Stamp Program. Households which do not contain an elderly or disabled member shall meet both the net income eligibility standards and the gross income eligibility standards for the Food Stamp Program. Households which are categorically eligible as defined in §273.2(j)(2) or 273.2(j)(4) do not have to meet either the gross or net income eligibility standards. The net and gross income eligibility standards shall be based on the Federal income poverty levels established as provided in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)). (7 CFR 273.9)

Property Taxes, Assessments and Insurance

Property taxes, state and local assessments and insurance on the structure are allowable expenses. Do **not** allow insurance costs for the contents of the structure, e.g. furniture, clothing and personal belongings.

Deduct the entire insurance charge for structure and contents when the amount for the structure cannot be determined separately. (PEM 554, p. 10).

Under PEM 554, homeowner's insurance is an allowable expense. In this case, the Claimant did not have an expense for homeowner's insurance when her March 2009 budget was calculated. Claimant did not dispute any other expenses or income listed on the March 2009 budget. The undersigned has reviewed the March 2009 budget and finds it to be correct.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department properly computed Claimant's FAP benefits.

Accordingly, the Department's action is AFFIRMED.

/s/

Tyra L. Wright
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 04/14/09

Date Mailed: 04/15/09

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 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt 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.

TW/dj

cc:

