

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: 2009-16092  
Issue No: 3002, 6019  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
May 20, 2009  
Oakland 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 May 20, 2009. The Claimant personally appeared and testified. A family independence manager and an eligibility specialist represented the Department.

ISSUE

Did the Department properly compute the Claimant's Food Assistance Program (FAP) and Child Day Care (CDC) benefits effective February 24, 2009?

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. In addition, she had been a CDC recipient until February 24, 2009 when her case was closed. (Exhibit 2).

- (2) Claimant received a notice that her FAP case would close effective February 24, 2009. After she met with her caseworker and provided some information, the Department determined that her case should not be closed.
- (3) Claimant also received notice that her CDC case also would close effective February 24, 2009.
- (4) When Claimant's CDC budget was calculated in February 2009, the Department found that her monthly income of \$1,635 exceeded the gross income limit of \$1,607 for a group size of two. (Exhibit 1). As a result, Claimant was not eligible for CDC benefits.
- (5) Claimant is paid weekly. Therefore, the Department used paycheck stubs from January 10, 17 and 24 and February 6, 2009. In accordance with policy, the Department multiplied the average by 4.3 to arrive at a monthly income of \$1,635.
- (6) Claimant disagreed with closing her CDC benefits, believing that the Department could increase her co-pay increased rather than closing her case.
- (7) The Department received Claimant's hearing request on February 17, 2009.

#### 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)

**DETERMINING BUDGETABLE INCOME**

**FIP, SDA, CDC, FAP**

Determine budgetable income using countable, available income for the benefit month being processed.

**Past Months** Use actual gross income amounts received for past month benefits, converting to a standard monthly amount, when appropriate. See [Standard Monthly Amount](#) in this item.

**Exception:** Prospective income **may** be used for past month determinations when:

- Income verification was requested and received, and
- Payments were received by the client after verifications were submitted, and
- There are no known changes in the income being prospected. (PEM 505, p.2)

**Standard Monthly Amount**

A standard monthly amount must be determined for each income source used in the budget.

**Stable and Fluctuating Income**

Convert stable and fluctuating income that is received more often than monthly to a standard monthly amount. Use one of the following methods:

- Multiply weekly income by 4.3.
- Multiply amounts received every two weeks by 2.15.
- Add amounts received twice a month.

This conversion takes into account fluctuations due to the number of scheduled pays in a month. (PEM 505, p.7)

Claimant was not aggrieved regarding her FAP case because the FAP case was never closed. Regarding her CDC benefits, it is found that the Department properly calculated her income. Claimant's weekly income fluctuates. Under PEM 505, the Department properly multiplied her weekly income by 4.3, which resulted in a monthly income of \$1,635. Consequently, it is found that the Department properly calculated Claimant's CDC budget effective February 2009. The undersigned has reviewed the CDC 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 CDC benefits. Claimant was not aggrieved regarding her 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: 05/27/09

Date Mailed: 05/28/09

**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.

TW/dj

cc:

