

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: 2009-35842
Issue No: 3002
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
October 19, 2009
Macomb 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 October 19, 2009. The Claimant appeared and testified. Carolyn Crudder, Program Manager appeared on behalf of the Department.

ISSUE

Whether the Department properly denied the Claimant's Food Assistance ("FAP") benefits effective 7/21/09 due to excess income.

Whether the Department properly denied the Claimant's Child Dependent Care ("CDC") benefits effective 7/21/09 due to excess income.

FINDINGS OF FACT

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

1. The Claimant applied for Food Benefits and Child Care benefits on July 7, 2009.

2. A food assistance budget was completed on July 21, 2009. (Exhibit 2, pp. 1-2).
3. A CDC budget was also completed on July 21, 2009 (Exhibit 1, pp. 1-2).
4. Claimant testified that Claimant has a household group of five (5) people.
5. The Claimant testified that the wage verifications upon which the Department based its decision are accurate, including pay stubs of \$1,408.00 and \$1,443.36. (Exhibit 3, pp. 5-9).
6. The Claimant testified that there is household unearned income in the amount of \$1,651.00. (Exhibit 3, pp. 1-4).
7. The Department denied Food Assistance Benefits and CDC benefits on July 21, 2009 due to excess income. (Exhibit 4, pp. 1-2).
8. Claimant objected to the FAP denial and filed this appeal. The Department received the Claimant's Request for Hearing on July 28, 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 all earned income. 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, \$163.00 is deducted from the gross income of FAP recipients in determining FAP grants. A non-categorically eligible Senior/Disabled/Veteran (SDV) FAP group must have income below the net income limits. PEM 550.

In the present case, according to the aforementioned policy on budgeting, for the 1/3/09 budget, Claimant's group had a net monthly gross income of \$4,716.00. As a result, Claimant's group income is well over the simplified reporting income limits of \$2,754.00 per month for a group size of five people. RFT 250. Therefore, Claimant does not qualify for FAP benefits.

Although the Claimant believed she is eligible for FAP benefits, the Claimant did not disagree with the earnings used to calculate her eligibility. The Department established that it acted in accordance with departmental policy in determining the Claimant's FAP denial effective 7/21/09. Accordingly, the Department's FAP denial was correct.

B. CDC

The Child Development and Care program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department of Human Services (formerly known as the Family Independence Agency) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

CDC program groups in the income eligible group must have gross income that falls within the income scale below to be eligible to receive department payment for the full or partial


cost of covered child care needs up to 95% of the department's maximum rates. The income limit for CDC benefits for a group size of five (5) is \$2,746.00 per month. RFT 270. Since Claimant's monthly income is well in excess, Claimant does not qualify for CDC benefits.

Accordingly, based on the above finds of fact and conclusions of law, the Administrative Law Judge finds that the Department properly denied Claimant FAP and CDC benefits as Claimant's group was over income.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department properly denied the Claimant FAP and CDC benefits for excess income.

Accordingly, the Department's FAP and CDC eligibility determinations are AFFIRMED.


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

Date Signed: 11/17/09

Date Mailed: 11/23/09

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.

JV/dj

2009-35842/JV

cc:

