

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

██████████

Claimant,

Reg No: 2009-17262

Issue No: 3003

Case No: ██████████

Load No: ██████████

Hearing Date:

April 29, 2009

Eaton County DHS

ADMINISTRATIVE LAW JUDGE:

Steven M. Brown

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 telephone hearing was conducted from ██████████ on April 29, 2009.

ISSUE

Whether the Department properly computed the Claimant's Food Assistance benefits ("FAP")?

FINDINGS OF FACT

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

- (1) Claimant is a FAP recipient.
- (2) The Department discovered during a March 2009 FAP review that Claimant's ██████████ increased. (Exhibit 1)

(3) On March 12, 2009, the Department completed a FAP budget with the new SSI amount which resulted in the Claimant's monthly FAP allotment being reduced from [REDACTED] effective April 1, 2009. (Exhibits 2,3,4,5)

(4) On March 12, 2009, the Department sent Claimant a Notice of Case Action which explained the reduction of Claimant's monthly FAP allotment based on a change in his unearned income. (Exhibits 2,3)

(5) On March 20, 2009, the Department received the Claimant's hearing request protesting the reduction of his FAP benefits.

#### CONCLUSIONS OF LAW

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").

For FAP purposes, all earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. Unearned income means ALL income that is not earned and includes FIP, RSDI and SSI. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected.

Prospective budgeting is the best estimate of the client's future income. BEM 505

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15.

BEM 505

In the instant case, the Claimant agreed with the new social security income figure used by the Department in completing the March 12, 2009 FAP Budget. However, Claimant stated that he also should have received credit for paying PART D- Medicaid in the amount of [REDACTED]. He testified that he sent the documentation to [REDACTED] when he started paying the new expense in January 2009. [REDACTED] testified that Claimant would have been credited the [REDACTED] for Medical Expenses in the March 12 FAP Budget, but she never received the documentation from Claimant. Claimant did not have access to a fax machine at the time of hearing so he was going to mail the documentation to the undersigned at the conclusion of the hearing. The undersigned has not received the documentation from Claimant at the time of issuance of this decision.

With the above said, I find that the Department established that it acted in accordance with departmental policy in determining the Claimant's FAP allotment based on Claimant's increased [REDACTED]. The Department is instructed, however, to complete a new FAP budget and include the [REDACTED] as a Medical Expense, if allowable, and if and when the Department receives the documentation from Claimant.



2009-17262/smb

SMB/db

cc:

