

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: 2009-20708
Issue No: 3002; 3003; 2001
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
June 23, 2009
St. Clair County DHS

ADMINISTRATIVE LAW JUDGE: Robert J. Chavez

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 June 23, 2009.

ISSUES

- (1) Was the claimant's FAP allotment computed and allocated correctly?
- (2) Was the claimant's AMP properly cut off for excess income?

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 was receiving a Food Assistance Program (FAP) allotment budget of \$176.
- (2) Claimant was receiving AMP.

(3) On 4-10-09, an automated “find and fix” reported claimant had begun receiving UCB benefits.

(4) Claimant’s FAP budget was re-run and claimant’s new budget reduced claimant’s FAP allocation to \$79.

(5) Claimant’s AMP budget was run, and was found to have excess income to receive AMP.

(6) Claimant filed for hearing on 4-14-09, alleging that DHS incorrectly computed his budget, and therefore, allocated the wrong amount of FAP benefits, and also contested the AMP cut-off.

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 (DHS or department) 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).

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

When determining eligibility for FAP benefits, the household's total income must be evaluated. All earned and unearned income of each household member must be included unless specifically excluded. PEM, Item 500. A standard deduction from income of \$135 is allowed for each household. Certain non-reimbursable medical expenses above \$35 a month may be deducted for senior/disabled/veteran group members. Another deduction from income is provided if monthly shelter costs are in excess of 50% of the household's income after all of the other deductions have been allowed, up to a maximum of \$300 for non-senior/disabled/veteran households. PEM, Items 500 and 554; RFT 255; 7 CFR 273.2.

In this case, the Administrative Law Judge has reviewed the FAP budget and finds that the department properly computed the claimant's gross income. The gross unearned income benefit amount must be counted as unearned income, which is \$593 in the current case, after counting the total member group's UCB benefits of \$294 bi-weekly and claimant's earned income of \$120. PEM 500. These amounts were verified by the claimant himself. The federal regulations at 7 CFR 273.10 provide standards for the amount of a household's benefits. The department in compliance with the federal regulations has prepared issuance tables which are set forth at Program Reference Manual, Table 260. The issuance table provides that a household with household size and net income of the claimant is eligible for an FAP allotment of \$79. The Administrative Law Judge has reviewed the budget and found no errors. Claimant himself was unable to point out specifically what parts of the budget he felt were in error. Therefore, the undersigned finds that the FAP allotment was computed correctly.

With regard to the AMP cut-off, the income limit for the AMP program is \$304. This is a bright line test. Claimant's net income, after taking into account earned income disregards, is \$588. This is more than the \$304 allowed. Therefore, the cut-off was proper.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that:

(1) The Department's decision to reduce the claimant's FAP allotment to \$79 was correct.

(2) The Department's decision to cut off claimant's AMP was also correct.

Accordingly, the Department's determinations in this matter are AFFIRMED.

/s/ _____
Robert J. Chavez
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: July 27, 2009

Date Mailed: July 28, 2009

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 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.

RJC/cv

cc:

