

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: 2009-4846

Issue No: 3008, 1017

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

April 23, 2009

Oakland 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 from [REDACTED] Michigan on April 23, 2009. The Claimant appeared and testified. Kelly Cutean, AP Supervisor worker appeared for the Department.

ISSUE

Whether the Department properly denied the Claimant FAP and FIP 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. The Claimant applied for FAP and FIP benefits on 8/21/08.
2. The Hearing Summary indicates that the application was denied on 10/1/08 due to Claimant's failure to verify voluntary child support.
3. The Department was unable to provide any information or evidence about Claimant's denial.

4. Claimant reapplied for FAP on 10/9/08 and was granted FAP benefits on 10/28/08.
5. Claimant testified that all her financial information was unchanged from the two applications.
6. Claimant never received FIP benefits. There is a FIP budget in the file (Exhibit 1, p. 1-3), but no letter notifying Claimant of the denial.
7. Claimant testified that at the time of application, she was receiving \$ [REDACTED] per month per child ([REDACTED]) for [REDACTED].
8. On October 17, 2008 the Department received the Claimant's hearing request protesting the denial of the FAP and FIP benefits. (Exhibit 3)

CONCLUSIONS OF LAW

A. FAP Benefits

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").

Clients must cooperate with the local office in determining initial and ongoing eligibility to include the completion of the necessary forms. PAM 105, p. 5. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. PAM 130, p. 1. Clients are allowed 10 calendar days (or other time limit specified in policy) to provide the requested verifications. PAM 130, p. 4. If the client cannot provide the

verification despite a reasonable effort, the time limit should be extended no more than once. PAM 130, p. 4. A negative action notice should be sent when the client indicates a refusal to provide the verification or the time period provided has lapsed and the client has not made a reasonable effort to provide it.

In the record presented, the Department provided no testimony or other evidence regarding Claimant's denial of FAP benefits. The FIP budget dated 9/2008 shows that child support was utilized in the calculation, so it is apparent that Claimant provided information about child support received. Furthermore, Claimant qualified for FAP benefits less than two weeks after her initial denial. It is unclear from the documents or the testimony at hearing why the department denied Claimant FAP benefits or whether Claimant was given additional time to provide the verification. Accordingly, the Department's denial of FAP benefits is REVERSED.

B. FIP Benefits

The Family Independence Program ("FIP") was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services administers the FIP program pursuant to MCL 400.10, *et seq.* and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children ("ADC") program effective October 1, 1996. Department policies are found in the Program Administrative Manual ("PAM"), the Program Eligibility Manual ("PEM"), and the Program Reference Manual ("PRM").

The eligible group must be in financial need to receive benefits. Need is determined to exist when budgetable income is less than the payment standard established by the department. Program, living arrangement, grantee status and eligible group size are variables that affect the payment standard. PEM 515, p. 1. Specifically, Financial need exists when the eligible group passes both the "Deficit Test" and the "Child Support Income Test." To perform the deficit test,

subtract the program group's budgetable income from the eligible group's payment standard (PEM 515) for the benefit month. To meet the child support income test, the FIP group's countable income plus the amount of certified support (or amount of support to be certified) must be less than the eligible group's payment standard. PEM 518.

The payment standard for a group of three, such as the instant case, is [REDACTED] Claimant's income, under either the "Deficit Test" or the "Child Support Income Test" is over [REDACTED]. Claimant, therefore, does not qualify for FIP benefits and the Department's decision to deny benefits is AFFIRMED.

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 FIP benefits and the Department's FIP decision is AFFIRMED.

Furthermore, the Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department improperly denied the Claimant FAP benefits.

Accordingly it is ORDERED:

1. The Department's FAP denial of 10/1/08 is REVERSED.
2. The Department shall reopen and reprocess the Claimant's 8/21/08 FAP case back to the date of closure, delete any negative action for non-cooperation and supplement the Claimant for any lost benefits she was otherwise entitled to receive.

/s/

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

Date Signed: 05/01/09

Date Mailed: 05/04/09

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.

JV/dj

Cc:

