

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: 2009-7339
Issue No: 2000; 3015; 5000
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
February 26, 2009
Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 February 26, 2009. Claimant appeared and testified. Claimant stated that her issues with Medical Assistance (MA) and State Emergency Relief (SER) had been resolved. The only issue in this hearing is about Claimant's Food Assistance Program (FAP) application.

ISSUE

Did the Department of Human Services properly deny Claimant's Food Assistance Program (FAP) application due to 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 submitted an application for Food Assistance Program (FAP) benefits.

(2) On October 23, 2008, claimant was sent notice that her application was denied due to excess income.

(3) On October 27, 2008, claimant submitted a request for hearing.

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).

When determining eligibility for Food Assistance Program (FAP) benefits in accordance with department policy, the total income of the household must be evaluated. All earned and unearned income of each household member must be included, unless specifically excluded. Program Eligibility Manual, Item 500. The Food Assistance Program (FAP) program provides a deduction from earned income of 20% and a deduction for the cost of child care when necessary to enable a Food Assistance Program (FAP) household member to work. A standard deduction from income is allowed for each household. The amount of the standard deduction depends on the number of members in the 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. There is a maximum deduction for households that do not contain a member classified as a senior, disabled,

or veteran. Program Eligibility Manual, Items 500 and 554; Program Reference Manual, Table 255; 7 CFR 273.2.

In this case, the Administrative Law Judge has reviewed the Food Assistance Program (FAP) budget and finds that the department properly computed claimant's gross income. 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 income limit and issuance tables which are set forth at Program Reference Manual Tables 250 & 260. Table 250 provides that a household with household size and of the claimant's is not eligible for a Food Assistance Program (FAP) allotment. Claimant's monthly gross income is [REDACTED]. The monthly gross income limit for a group size of three is [REDACTED].

Claimant submitted a 2004 memorandum about federal legislative changes made in 2002. The change made back then was a requirement for "states to treat child support as income exclusion rather than a deduction (as provided in current law) unless they choose to stay with a deduction option." The State of Michigan has chosen to stay with a deduction option.

The memorandum states that the change "allows states to treat child support payments as an income exclusion instead . . . Thus, a household which - in the past - had too much income to be eligible for food stamps might now be eligible." Even if child support were treated as an income exclusion, claimant's household would still have too much gross income. [REDACTED] (gross earnings) - [REDACTED] (child support) = [REDACTED] (gross income) The monthly gross income limit for a group size of three is [REDACTED].

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services properly denied Claimant's Food Assistance Program (FAP) application due to excess income.

It is ORDERED that the actions of the Department of Human Services, in this matter, are UPHELD.

/s/

Gary F. Heisler
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: March 9, 2009

Date Mailed: March 10, 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 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.

GFH/ [REDACTED]

cc: [REDACTED]