

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2010-44322
Issue No.: 3015/6019
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: August 18, 2010
Wayne County DHS (31)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 held on August 18, 2010. The claimant appeared and testified. [REDACTED], Jet Project Worker appeared on behalf of the Department.

ISSUE

Whether the Department properly closed the Claimant's Food Assistance (FAP) and Child Day Care (CDC) cases 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. The Claimant was a Food Assistance (FAP) and Child Day Care (CDC) recipient.
2. The Claimant's FAP and CDC cases were closed July 31, 2010 due to alleged excess income, by Notice of Case Action dated July 6, 2010. Exhibit 1
3. The Department could not explain, and did not know why the Bridges system closed the Claimant's case.
4. The Claimant was laid off from her job on June 11, 2010 and advised the Department that she had applied for unemployment benefits.

5. The Claimant received unemployment benefits as follows: for the week ending June 26, 2010 - \$270; for the week ending July 3, 2010 - \$270; for the week ending July 10, 2010 - \$270; for the week ending July 17 2010 - \$270; for the week ending August 1, 2010 - \$232; for the week ending August 8, 2010 - \$232; for the week ending August 15, 2010 - \$98; for the week ending August 22, 2010 - \$98. The Claimant confirmed that these amounts were correct. Exhibit 2
6. The Claimant's FAP benefits were not adjusted to reflect the change in earnings when the Claimant was laid off from her employment.
7. The Claimant returned to work on July 19, 2010 and advised the department within the ten day period for reporting changes in circumstances of her return to work via FAX on July 26, 2010 and written letter on July 27, 2010. Exhibit 3
8. The Claimant has worked 40 hours per week since returning to work on July 19, 2010 but has only been granted 25 hours CDC benefits per week. The Claimant's children are not attending school at this time.
9. The Department agreed to issue a supplement to the Claimant for CDC benefits for the period beginning July 19, 2010 to reflect that she was working 40 hours per week and continues to work 40 hours per week through the date of this hearing.
10. The claimant only received 25 hours of CDC benefits during the period July 19, 2010 through July 31, 2010 and received no CDC benefits for the month of August 2010 when she was working full time and her CDC case was closed.
11. The Claimant pays rent in the amount of \$700 per month and her FAP group consists of 3 members.
12. The Claimant agreed to provide the Department verification of her earnings from her employment for the months of June, July and August, 2010 and to provide pay stubs documenting same.
13. At the hearing, the Department agreed to reopen and reinstate the Claimant's FAP and CDC benefits retroactive to the date of closure, August 1, 2010, and to recalculate the Claimant's FAP budgets for the months of June, July and August 2010 to reflect the changes in her income, and to supplement the Claimant's FAP and CDC benefits as set forth in these findings of Fact the she was otherwise entitled to receive.

14. The Department further agreed to recompute the Claimant's FAP budget for the June 2010 to reflect the unearned income received by the Claimant for unemployment benefits as set forth in paragraph 5 of these Findings of Fact and to include any earned income, if any, received by the Claimant due to her employment during the month of June prior to her lay off. The Department shall use the actual earnings figures for both earned and unearned income and correct the Claimant's FAP allotment accordingly.
15. The Department agreed to recalculate the Claimant's FAP budget for the month of July to reflect the unearned income received by the Claimant and to reflect the earned income the Claimant received when she returned to work July 19, 2010.
16. The Department is to calculate the Claimant's FAP budget for the month of August and include the Claimant's unemployment benefits received and any earned income the Claimant received from her employment. The Department shall appropriately adjust September FAP benefits to reflect that the Claimant no longer receives unemployment benefits from and after the week ending August 22, 2010.
17. As a result of the Department agreeing to resolve the Claimant's request for hearing and its agreement with regard re computing the Claimant's FAP and CDC benefits to reflect the actual income amounts, the Claimant indicated that she no longer wished to proceed with the remainder of the 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 (formerly known as the Family Independence Agency) administers the FAP program pursuant to CML 400.10 *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

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).

Under Bridges Administrative Manual Item 600, clients have the right to contest any agency decision affecting eligibility or benefit levels whenever they believe the decision is illegal. The agency provides an Administrative Hearing to review the decision and determine if it is appropriate. Agency policy includes procedures to meet the minimal requirements for a fair hearing. Efforts to clarify and resolve the client's concerns start when the agency receives a hearing request and continues through the day of the hearing.

In the present case the Department has agreed to reopen the Claimant's FAP case retroactive to August 1, 2009 and to supplement the Claimant's FAP benefits for the months of June July and August 2010 using the appropriate earned and unearned income received by the Claimant.

The Department also agreed to reinstate the Claimant's CDC benefits retroactive to the date of closure and to supplement the claimant for CDC benefits from and after July 19, 2010 for 40 hours per week, (the date the claimant resumed working full time) and to supplement the Claimant for CDC benefits for the month of August she was otherwise entitled to receive for 40 hours a week as the Claimant continues to work full time.

As a result of this agreement, Claimant indicated she no longer wished to proceed with the hearing. Since the Claimant and the Department have come to an agreement it is unnecessary for this Administrative Law Judge to make a decision regarding the facts and issues in this case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department and Claimant have come to a settlement regarding claimant's request for a hearing.

Accordingly it is ORDERED:

1. The Department shall reopen and reinstate the Claimant's FAP case retroactive to August 1, 2010 and shall retroactively supplement the Claimant's FAP benefits she was otherwise entitled to receive for the months of June, July and August to reflect the correct earned and unearned income she actually received from unemployment benefits as

set forth in this Decision Findings of Facts, and earned income received from and after July 19, 2010 when the Claimant resumed working.

2. The Department shall appropriately adjust the Claimant's September FAP benefits to reflect that the Claimant no longer receives unemployment benefits from and after the week ending August 22, 2010.
3. The Department shall reopen and reinstate the Claimant's CDC benefits retroactive to the date of closure and supplement the Claimant for benefits she was otherwise entitled to receive for 40 hours a week as the Claimant resumed full time employment July 19, 2010. The Department shall issue the Claimant a supplement of benefits for the period from and after July 19, 2010 as she received CDC benefits for only 25 hours when she was working 40 hours. Additionally, the Department is required to supplement the claimant for CDC benefits from and after August 1, 2010 for 40 hours per week to reflect the fact that the Claimant had resumed full time employment.
4. The Claimant shall provide the Department verification of her earnings from employment and pay stubs for the months of June, July and August, 2010.



Lynn M. Ferris
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: 8/23/2010

Date Mailed: 8/23/2010

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.

201044322/LMF

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 of the rehearing decision.

LMF/jlg

cc:

