

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.: 2010-14879
Issue No.: 3003
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date:
February 11, 2010
Macomb County DHS (20)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 on February 11, 2010. Claimant appeared and testified. [REDACTED] appeared on behalf of the department.

ISSUE

Whether the Department of Human Services (DHS) properly calculated Claimant's Food Assistance Program ("FAP") benefits beginning with benefit month 12/2009.

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 had a FAP certification period beginning 6/25/09 through 5/31/10.
2. Claimant has a FAP benefit group of two.
3. Claimant is part of a non-senior, non-disabled and non-disabled veteran group.
4. Claimant timely submitted a Semi-Annual Contact Report (SACR) prior to 12/1/09.

5. Claimant's biweekly gross employment earnings were \$345.27 and \$291.00.
6. Claimant's spouse's weekly gross employment earnings were \$413.76 and \$297.39.
7. Claimant's rent is \$500 per month.
8. Claimant is responsible for paying heat.
9. DHS calculated Claimant's monthly FAP benefit amount to be \$16 per month beginning 12/2009.
10. Claimant filed a Hearing Request on 1/11/10 objecting to the amount of her 12/2009 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 Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Reference Table Manuals ("RFT").

DHS processed a FAP budget for Claimant beginning 12/2009. The budget was required per BAM 210 as the six month point following Claimant's most recent application/redetermination in her benefit year.

Claimant does not dispute any of the information used by DHS in calculating the FAP budget. Claimant is disputing the calculated FAP benefit amount of \$16 per month. BAM 556 directs how FAP benefits are calculated.

Claimant submitted bi-weekly pay stubs to verify her employment income. The 11/12/09 stub verified a gross payment amount of \$345.27. The 10/29/09 stub verified a gross payment of \$291.00. The average check was multiplied by 2.15 to convert the income into a full month results in a monthly gross income of \$683.00 (cents dropped).

Claimant submitted two weekly pay stubs to verify her spouse's employment income. The 11/6/09 stub verified a gross payment amount of \$413.76. The 11/13/09 stub verified a gross payment of \$297.39. The average check was multiplied by 4.3 to convert the income into a full month resulting in a monthly gross income of \$1528 (cents dropped).

Claimant's total gross employment income is found by adding her and her spouse's gross employment income. $\$683 + \1528 results in a total of \$2211 of gross monthly income.

BEM 556 requires calculating FAP benefits based on 80% of a client's earned income. That total, dropping cents, is \$1768 ($\$2211 \times .8$). BEM 556 also requires a standard deduction based on Claimant's FAP group size (2 persons) of \$132. Subtracting the standard deduction from \$1768 creates an adjusted gross income of \$1632.

Claimant's housing expense is \$500 and by paying heat, Claimant receives the maximum \$555 utility standard expense. Claimant's total shelter expenses are calculated by adding her housing expenses credit with utility expenses. Claimant's total shelter expense is \$1055.

Claimant's excess shelter amount is \$217; the difference between Claimants's housing costs (\$1055) and half of Claimant's adjusted gross income (\$838). In Claimant's circumstances, the excess shelter amount (\$217) is less than the shelter maximum deduction of \$459.

The lesser of the excess shelter costs or maximum shelter deduction is to be subtracted from Claimant's adjusted gross income to determine Claimant's net income. In the present case,

Claimant's net income is \$1419. Per RFT 255 the correct amount of FAP benefits for a group of 2 with a net income of \$1419 is \$16 per month.

Note that Claimant is encouraged to report and verify any reductions in income to DHS. By doing so, Claimant may, though not necessarily, be entitled to an increase in FAP benefits in future months.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly calculated Claimant's FAP beginning 12/2009. Accordingly, the Department's FAP reduction is AFFIRMED.

/s/
Christian Gardocki
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 2/24/2010

Date Mailed: 2/24/2010

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.

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.

CG/jlg

cc:

