

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: 201015712
Issue No: 3002; 3003
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
June 2, 2010
Oakland County DHS

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 claimant's request for a hearing. After due notice, a telephone hearing was held in Detroit, Michigan on June 2, 2010. The Claimant appeared on her own behalf. Mary M. Strand, FIM appeared on behalf of the Department.

ISSUE

Was the claimant's FAP allotment computed and allocated correctly?

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 is a Food Assistance (FAP) recipient. Claimant also applied for State Disability Assistance (SDA) and cash assistance (FIP) benefits in Oakland County, Michigan on July 1, 2009.
- (2) Since applying for these benefits, the Claimant was deemed eligible for RSDA and began receiving \$1262 in RSDI benefits monthly in September 2009.

- (3) The Claimant originally requested a hearing regarding the denial of her FIP benefits and SDA, which benefits were denied by Notice of Case Action dated December 11, 2009. Prior to the hearing, the reason for the denial was fully explained to the Claimant, and she now understands that the reason those benefits were denied was due to excess income, which occurred when she began receiving RSDI. (Exhibit 1)
- (4) As a result of her understanding the reasons her application for FIP and SDA was denied, the claimant no longer wished to proceed on those issues at the hearing.
- (5) Claimant's FAP budget was run and it indicated claimant was eligible for FAP benefits in the amount of \$280 beginning December 1, 2009.
- (6) At the hearing, the Claimant confirmed the following. The claimant's group is composed of two members. The Claimant is disabled and thus is in an SDV group. The claimant's monthly income from RSDI, social security disability is \$1262. The claimant pays \$850 a month for rent and pays heat.
- (7) The Department prepared a budget for December 2009 which utilized the above information confirmed by the Claimant. It appears, based on the information, that the Department correctly computed the Claimant's FAP benefits to be \$280 a month beginning December 1, 2010. Exhibit 2
- (8) Claimant filed for hearing on December 21, 2009, alleging that DHS incorrectly computed her FAP budget.

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

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. BEM, Item 500. A standard deduction from income of \$132 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. BEM, Items 500 and 554; RFT 255; 7 CFR 273.2. Only heat, electricity, sewer, trash and telephone are allowed deductions. BEM 554. Any other expenses are considered non-critical, and thus, not allowed to be deducted from gross income. Furthermore, RFT 255 states exactly how much is allowed to be claimed for each deduction.

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 \$1262 in the current case, before any deductions. BEM 500. These amounts were verified by the claimant during the course of the hearing.

The federal regulations at 7 CFR 273.10 provide standards for the amount of a household's benefits. Claimant stated that her rent and housing expenses was \$850 per month. Claimant was given a utility deduction. The Administrative Law Judge computed claimant as having a net income of \$290 dollars. The Department, in compliance with the federal

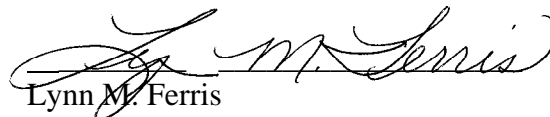
regulations, has prepared issuance tables which are set forth at Bridges Reference Manual, Table 260. The issuance table provides that a household with household size and net income of the claimant's is eligible for a FAP allotment of \$280. The Administrative Law Judge has reviewed the budget and found no significant errors.

Apparently, the Department has also sought recoupment for an over-issuance of FAP benefits from the Claimant, which issue is not decided by this decision as there was not notice of the recoupment and over-issuance properly before this Administrative Law Judge. The Claimant has requested a hearing with regard to those issues and does not intend to waive the issue of over-issuance and recoupment, which will be assigned for another hearing. Therefore, the undersigned finds that the Department correctly determined the claimant's FAP allotment of \$280.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department's decision to award claimant a FAP allotment of \$280 for the month of December 2009 was correct.

Accordingly, the Department's decision is AFFIRMED.



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

Date Signed: 06/28/10

Date Mailed: 07/01/10

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.

LMF/dj

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