

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: 2010-20295  
Issue No: 3002  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
March 17, 2010  
Eaton County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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 March 17, 2010.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's eligibility for Food Assistance Program (FAP) 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) Claimant is a FAP recipient.
- (2) On November 16, 2009, the Department sent a Redetermination form to the Claimant. Department Exhibits 7 – 10.

(3) The Claimant completed this form and returned it to the Department along with the necessary verification proofs. Department Exhibits 7 – 10.

(4) Claimant has a group size of six for FAP budgeting purposes.

(5) ██████████, a member of Claimant's FAP group, receives a weekly paycheck in the gross amount of ██████████. Department Exhibits 13 – 14.

(6) ██████████, a member of Claimant's FAP group, receives a weekly paycheck in the gross amount of ██████████. Department Exhibits 12, 15, 16, 17, 18, 19, and 20.

(7) Claimant receives monthly Unemployment Compensation Benefits in the gross monthly amount of ██████████. Department Exhibits 21 – 22.

(8) Claimant has monthly shelter expenses of ██████████ per month for rent, and he is responsible for paying heat and utility expenses. Department Exhibit 25.

(9) Claimant did not claim expenses for dependent care, medical expenses, or child support obligations.

(10) On January 22, 2010, the Department notified the claimant that his FAP benefits would be terminated based on the information collected in the Redetermination form. Department Exhibits 5 - 6.

(11) On February 9, 2010, the Department received Claimant's hearing request, protesting the termination of his FAP benefits.

### CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (formerly known as the Food Stamp 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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

For FAP purposes, all earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505.

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. BEM 505.

In this case, Claimant's total countable income for FAP purposes is [REDACTED], which is the sum of the countable incomes of Claimant's spouse, Claimant's daughter, and the Claimant. Claimant's spouse and daughter receive monthly earned incomes of [REDACTED] and [REDACTED] respectively, and the Claimant receives monthly unearned income of [REDACTED] in Unemployment

Compensation Benefits. The Claimant's adjusted gross income of [REDACTED] is calculated by subtracting 20% of the group's earned income, and a \$196 standard deduction for a group size of six from the group's total income. Claimant has total countable shelter expenses of [REDACTED], which is the sum of his rent of [REDACTED] and the heat and utility standard of [REDACTED]. Claimant has an excess shelter amount of \$0, which is his total shelter expense less 50% of his adjusted gross income.

The monthly net income limit to be eligible for FAP benefits for a group of six is [REDACTED]. The Department calculated Claimant's total net income of [REDACTED] by subtracting the excess shelter amount from the adjusted gross income total. Therefore this Administrative Law Judge finds that the Department established that it acted in accordance with policy when it found Claimant to be ineligible for FAP benefits due to excess net income.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in computing Claimant's FAP eligibility.

Accordingly, the Department's FAP eligibility determination is AFFIRMED, it is SO ORDERED.

/s/ \_\_\_\_\_  
Kevin Scully  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: March 30, 2010

Date Mailed: March 30, 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.

KS/vmc

cc:

