

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: 2010-32953  
Issue No: 3002, 6019  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
June 9, 2010  
Roscommon County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on May 3, 2010. After due notice, a telephone hearing was held on Wednesday, June 9, 2010.

ISSUES

- (1) Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) eligibility?
- (2) Whether the Department of Human Services (Department) properly determined the Claimant's Child Development and Care (CDC) eligibility?

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 receives FAP benefits as a group of five. Department Exhibit 1-3.

(2) The Claimant received CDC benefits until May 1, 2010.

(3) The Claimant receives monthly earned income in the gross monthly amount of

██████████. Department Exhibits 6 – 7.

(4) The Claimant has a monthly housing expense of ██████████. Department Exhibit 31.

(5) On April 27, 2010, the Department completed a FAP budget that determined the Claimant was eligible for a monthly FAP allotment of ██████████

(6) On April 27, 2010, the Department completed a CDC budget that determined the Claimant was not eligible for CDC benefits.

(7) The Department received the Claimant's request for a hearing on May 3, 2010, protesting the denial of her CDC benefits and the reduction of her 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 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.

The Claimant receives a bi-weekly paycheck in the gross amount of [REDACTED], and the Department multiplies this amount by a 2.15 conversion factor to determine a gross monthly-earned income of [REDACTED]. This income is reduced by a 20% earned income deduction, and a [REDACTED] standard deduction to determine an adjusted gross income of [REDACTED]. The sum of the Claimant's monthly housing expenses of [REDACTED] and the [REDACTED] heat and utility deduction under the Low Income Home Energy Assistance Program, are less than 50% of her adjusted gross income. Therefore the Claimant may not take an excess shelter deduction, and her net income is equal to her adjusted gross income.

A claimant with a group size of five and a net income of [REDACTED] is entitled to a FAP allotment of [REDACTED], which is the amount of FAP benefits granted to the Claimant for this period.

RFT 260. I find that the Department has established that it acted in accordance with policy determining Claimant's FAP allotment.

The Claimant receives a bi-weekly paycheck in the gross amount of [REDACTED], and the Department multiplies this amount by a 2.15 conversion factor to determine a gross monthly-earned income of [REDACTED]. The maximum income a group of five can receive and be eligible for CDC benefits is [REDACTED] RFT 270. Therefore, the Claimant is not eligible for CDC benefits.

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 determining the Claimant's FAP and CDC eligibility.

The Department's FAP eligibility determination is AFFIRMED.

The Department's CDC eligibility determination is AFFIRMED.

It is SO ORDERED.

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

Date Signed: June 24, 2010

Date Mailed: June 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.

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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/vc

cc:

