

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: 2010-33445
Issue No: 3002
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
June 2, 2010
SSPC-West

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 April 21, 2010. After due notice, a telephone hearing was held on Wednesday, June 2, 2010.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) 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 applied for FAP benefits on April 5, 2010, as a group of four.
- (2) The Department completed a FAP budget on April 6, 2010, which determined that the Claimant was not eligible for FAP benefits.

(3) The Department denied the Claimant's application for FAP benefits on April 6, 2010, due to excess income.

(4) The Department received the Claimant's request for a hearing on April 21, 2010, protesting the denial of her FAP application.

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's husband receives a weekly paycheck in the gross amount of [REDACTED], which the Department multiplies by a factor of 4.3 to determine his gross monthly income of [REDACTED]. The Department deducts a 20% earned income deduction and a standard deduction of [REDACTED] from this income to determine the Claimant's adjusted gross income of [REDACTED]. The Claimant's monthly housing expense of [REDACTED] is the sum of her mortgage and second mortgage payments, her homeowner's insurance, and her condominium association fees. The Department adds these expenses to the standard heat and utility standard of [REDACTED] under the Low Income Home Energy Assistance Program, and subtracts 50% of the adjusted gross income to determine the Claimant's excess shelter deduction of [REDACTED].

The Claimant's net income of [REDACTED] is determined by subtracting her excess shelter deduction from her adjusted gross income. For a FAP group of four, the maximum adjusted gross income the group may receive and still be eligible for FAP benefits is [REDACTED]. The maximum net income a group of four may receive and still be eligible for FAP benefits is [REDACTED]. The Claimant's adjusted gross income and net income both exceed these limits.

The Claimant argued that the Department had overstated her husband's income. The Department converts all income to a monthly income, and in this case the Claimant's weekly paycheck is multiplied a conversion factor of 4.3. When the Department explained the

conversion factor to the Claimant, she agreed that the Department had used the correct income in the FAP budget.

Based on the evidence and testimony available at the hearing, the Department has established that it correctly determined the Claimant's eligibility for FAP 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 eligibility.

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: 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.

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:

