

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201033448  
Issue No.: 3002; 1017; 2013  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: July 22, 2010  
Wayne County DHS

**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

**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 held on July 22, 2010. The Claimant appeared and testified. [REDACTED], FIM and [REDACTED], ES appeared on behalf of the Department.

**ISSUE**

Was the Department correct in reducing Claimant's FAP benefit and in determining Claimant's MA benefit and in closing Claimant's FIP benefit?

**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 was an ongoing recipient of FIP, FAP and MA benefits.
- (2) The Department received information that Claimant began receiving unemployment compensation beginning in March 2010.
- (3) Claimant's FAP benefits were reduced, her FIP benefits closed and she was found to have a Medicaid deductible after unemployment compensation income was budgeted.
- (4) Claimant did not receive unemployment compensation during the period in question.

- (5) Claimant requested a hearing on April 24, 2010 contesting the determination of MA benefits, reduction FAP benefits and closure of FIP 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 Program Reference Manual ("PRM").

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

The Family Independence program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human services (DHS or Department) administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependant Children (ADC) program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference manual (PRM).

In the present case, the Department received information that Claimant may be receiving unemployment compensation. After budgeting \$354 biweekly unemployment compensation, Claimant's FAP benefit was reduced to \$16, her FIP case closed and she was found to have a \$677 Medicaid deductible. Claimant credibly testified that she did not receive unemployment compensation during this period and that the address listed in the Department records for unemployment compensation is not her address. Claimant testified that her purse was stolen in March 2010 and that she filed a police report, a copy of which was presented at hearing, and put an alert on her credit report. The Department presented no proof that Claimant actually received unemployment compensation payments. This Administrative Law Judge finds that it was incorrect to include unemployment compensation in determining Claimant's benefits because she


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did not receive unemployment compensation. It appears that Claimant was a victim of identity theft.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department was incorrect in the reduction of Claimant's FAP, closure of her FIP benefits and determination of MA benefits, and it is ORDERED that the Department's decision is hereby REVERSED. Claimant's FAP benefits shall be rebudgeted as of May 1, 2010 removing unemployment compensation, FIP benefits shall be reinstated as of the date of closure, and MA benefits shall be reinstated as of May 1, 2010. Any missed benefits shall be paid to Claimant in the form of a supplement.

/s/

  
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Aaron McClintic  
Administrative Law Judge  
For Ismael Ahmed, Director  
Department of Human Services

Date Signed: July 29, 2010

Date Mailed: July 29, 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.

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