

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: 201039196

Issue No: 1015

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

August 25, 2010

Allegan 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 March 15, 2010. After due notice, a telephone hearing was held on August 25, 2010. The Department of Human Services provided an interpreter so that the Claimant could participate in the hearing.

**ISSUE**

Whether the Department of Human Services (Department) properly determined the Claimant's Family Independence Program (FIP) 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 is an ongoing FIP recipient as a group of one.
2. The Claimant receives monthly earned income in the gross monthly amount of [REDACTED].
3. On March 5, 2010, the Department completed a FIP budget, which resulted in a decrease in the Claimant's FIP benefits.
4. The Department received the Claimant's request for a hearing on March 15, 2010, protesting the reduction of her FIP benefits.

## CONCLUSIONS OF LAW

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 Dependent Children (ADC) program effective October 1, 1996. 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).

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.

Financial need is a requirement of receiving FIP benefits and need is determined to exist when budgetable income is less than the payment standard established by the department. BEM 515. The payment standard is the maximum benefit amount that can be received and it is for shelter, heat, utilities, clothing, food and items for personal care. BEM 515. Income is subtracted from the payment standard to determine the grant amount. BEM 515. For a group of one, the FIP payment standard is \$306. RFT 210.

The Claimant receives monthly earned income in the gross monthly amount of [REDACTED], which was determined by taking the average of her two bi-weekly paychecks and multiplying this amount by the monthly conversion factor of 2.15. The Claimant does not receive any other income. The Claimant's net income of [REDACTED] is determined by reducing her gross income by the standard [REDACTED] earned income deduction, and an additional earned income deduction of 20%. The Claimant's benefit amount of [REDACTED] is determined by subtracting her net income from the FIP payment standard of [REDACTED] for a group of one.

Based on the evidence and testimony available at the hearing, the Department has established that it determined the Claimant's FIP eligibility in accordance with policy.

**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 FIP eligibility.

The Department's FIP eligibility determination is AFFIRMED. It is SO ORDERED.

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

Date Signed: September 16, 2010

Date Mailed: September 16, 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:

