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

IN THE MATTER OF:



Reg. No: 201043737 Issue No: 3002; 3003

Case No: Load No:

Hearing Date: August 16, 2010

Oakland County DHS

ADMINISTRATIVE LAW JUDGE: Robert J. Chavez

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 hearing was held on August 16, 2010.

<u>ISSUE</u>

Was the claimant's FAP allotment computed and allocated correctly?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

- Claimant was a FAP recipient in Wayne County.
- (2) Claimant's FAP budget was run after a redetermination. Claimant's budget indicated claimant eligible for FAP benefits in the amount of \$16.
- (3) Claimant filed for hearing on May 4, 2010, alleging that DHS incorrectly computed his budget.

2 2010-43737/RJC

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (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 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) and the Bridges Reference Manual (BRM).

When determining eligibility for FAP benefits, the household's total income must be evaluated. All earned and unearned income of each household member must be included unless specifically excluded. BEM, Item 500. A standard deduction from income of \$132 is allowed for certain households. Certain non-reimbursable medical expenses above \$35 a month may be deducted for senior/disabled/veteran group members. Another deduction from income is provided if monthly shelter costs are in excess of 50% of the household's income after all of the other deductions have been allowed, up to a maximum of \$459 for non-senior/disabled/veteran households. BEM, Items 500 and 554; RFT 255; 7 CFR 273.2. Only heat, electricity, sewer, trash and telephone are allowed deductions. BEM 554. Any other expenses are considered non-critical, and thus, not allowed to be deducted from gross income. Furthermore, RFT 255 states exactly how much is allowed to be claimed for each deduction.

In this case, the Administrative Law Judge has reviewed the FAP budget and finds that the Department properly computed the claimant's gross income. The gross unearned income amount must be counted as income, which is \$1703 on the current

3 2010-43737/RJC

case, before any deductions. BEM 500. These amounts were verified by the claimant during the course of the hearing. After taking into account claimant's rent of \$459 and allowing for a utility deduction of \$555, the undersigned has calculated claimant as having a net income of \$1342.

The federal regulations at 7 CFR 273.10 provide standards for the amount of a household's benefits. The Department, in compliance with the federal regulations, has prepared issuance tables which are set forth at Bridges Reference Manual, Table 260. The issuance table provides that a household with household size and net income of the claimant eligible for an FAP allotment of \$16. The Administrative Law Judge has reviewed the budget and found no significant errors. Claimant was unable to point out specifically what parts of the budget he felt were in error.

Claimant did argue that he had medical expenses that counted as hardship; however, claimant admitted that these expenses had never been turned into the Department. The undersigned may only consider whether the Department's action was correct using the information the Department knew; the Department was unaware of these medical expenses. Therefore, the medical expenses are not able to be considered in the budget at issue. This does not preclude medical expenses from being considered in any future FAP budgets.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department's decision to award claimant a FAP allotment of \$16 was correct.

4 2010-43737/RJC

Accordingly, the Department's decision in the above stated matter is, hereby,

AFFIRMED.

Robert J. Chavez
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: <u>08/23/10</u>

Date Mailed: <u>08/24/10</u>

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.

RJC/dj

CC:

