

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: 2010-44396  
Issue No: 3002  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
August 17, 2010  
Genesee 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 July 16, 2010. After due notice, a telephone hearing was held on Tuesday, August 17, 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 received FAP benefits.
- (2) The Claimant receives monthly Social Security benefits in the gross monthly amount of [REDACTED]

(3) The Claimant receives monthly Supplemental Security Income in the gross monthly amount of [REDACTED].

(4) The Claimant's spouse receives monthly Social Security benefits in the gross monthly amount of [REDACTED].

(5) The Claimant's spouse receives monthly Supplemental Security Income in the gross monthly amount of [REDACTED].

(6) The Claimant has an annual property tax expense of [REDACTED].

(7) The Claimant has an annual home insurance expense of [REDACTED].

(8) The Department completed a FAP budget on April 16, 2010, which determined that the Claimant was entitled to a monthly FAP benefit of [REDACTED].

(9) The Department received the Claimant's request for a hearing on July 16, 2010, protesting the amount of FAP benefits that she was receiving.

#### 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.

The Claimant was receiving FAP benefits as a group of two, when the Department conducted a routine redetermination of her benefits. Based on the new information received, the Department reduced the Claimant's monthly FAP allotment.

The Claimant's FAP group receives unearned income in the gross monthly amount of [REDACTED]. This unearned income includes Social Security benefits the Claimant and her spouse receive in the gross monthly amount of [REDACTED], and Supplemental Security Income the Claimant and her spouse receive in the gross monthly amount of [REDACTED] each. This income is reduced by the standard deduction of \$132 to determine the group's adjusted gross income of [REDACTED]. The Claimant has monthly housing expense of [REDACTED], which is determined by taking his annual property tax expense of [REDACTED] and his annual home insurance expense of [REDACTED] and dividing the total by 12. The Claimant's excess shelter deduction of [REDACTED] is determined by adding her monthly housing expense to the standard heat/utility standard of \$555 under the Low Income Home Energy Assistance Program, and subtracting 50% of her adjusted gross income.

A net income of [REDACTED] is determined by subtracting the excess shelter deduction from the Claimant's adjusted gross income. A claimant with a group size of two 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.

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: August 24, 2010

Date Mailed: August 25, 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:

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