

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: 2010-12886  
Issue No: 3002  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
January 20, 2010  
Gladwin County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 January 20, 2010. Claimant appeared and testified.

ISSUE

Did the Department of Human Services determine the proper amount of Claimant's Food Assistance Program (FAP) benefits?

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 Food Assistance Program (FAP) benefits. In September 2009 Claimant reported a move.
- (2) On October 13, 2009, Claimant was sent a Shelter Verification (DHS Form 3688) which was due back to the Department on October 23, 2009.

(3) On October 22, 2009, the Shelter Verification (DHS Form 3688) had not been returned and the Bridges Program improperly closed Claimant's Food Assistance Program (FAP) case. An automated Notice of Case Action (DHS-1605) was sent to Claimant.

(4) On October 27, 2009, the Department case worker re-opened Claimant's Food Assistance Program (FAP) case and removed Claimant's shelter expenses from the financial eligibility budget in accordance with Department policy. Claimant was sent a Notice of Case Action (DHS-1605) stating his Food Assistance Program (FAP) benefits would be reduced to \$33.

(5) On December 1, 2009, Claimant submitted a request for hearing on the October 22, 2009 Notice of Case Action (DHS-1605).

(6) At this hearing Claimant stated he did not need a hearing regarding the improper closure of his Food Assistance Program (FAP) case. Claimant verbally requested a hearing regarding the reduction of his Food Assistance Program (FAP) benefits to \$33. The Department had already submitted exhibits covering the reduction and were prepared to conduct a hearing on that issue. This hearing will address the reduction of Claimant's Food Assistance Program (FAP) benefits due to removal of his shelter expenses from the financial eligibility budget.

#### 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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

At this hearing Claimant testified that he did not return the Shelter Verification (DHS Form 3688) to the Department. There were no other changes in Claimant's circumstances that would impact his Food Assistance Program (FAP) financial eligibility. Department policy provides the following guidance for case workers. The Department's policies are available on the internet through the Department's website.

### **BEM 554 FAP ALLOWABLE EXPENSES AND EXPENSE BUDGETING**

#### **DEPARTMENT POLICY**

This item applies **only** to FAP.

Bridges uses certain expenses to determine net income for FAP eligibility and benefit levels.

•For groups with **no** senior/disabled/disabled veteran (SDV) member Bridges uses the following:

- Dependent care expense.
- Excess shelter up to the maximum in RFT 255.
- Court ordered child support and arrearages paid to non-household members.

•For groups **with** one or more SDV member, Bridges uses the following (see BEM 550):

- Dependent care expense.
- Excess shelter.
- Court ordered child support and arrearages paid to non-household members.
- Medical expenses for the SDV member(s) that exceed \$35.

Complete either a manually-calculated or Bridges budget to document expenses every time an expense change is reported.

## **SHELTER EXPENSES**

Allow a shelter expense when the FAP group has a shelter expense or contributes to the shelter expense. Do **not** prorate the shelter expense even if the expense is shared. Shelter expenses are allowed when billed. The expenses do **not** have to be paid to be allowed. Late fees and/or penalties incurred for shelter expenses are **not** an allowable expense.

### **Verification**

Verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, remove the old expense until the new expense is verified.

Verify the expense **and** the amount for housing expenses, property taxes, assessments, insurance and home repairs.

[When determining eligibility for Food Assistance Program \(FAP\) benefits](#) in accordance with Department policy, the total income of the household must be evaluated. All earned and unearned income of each household member must be included, unless specifically excluded. Bridges Eligibility Manual, Item 500. The Food Assistance Program (FAP) program provides a deduction from earned income and a deduction for the cost of child care when necessary to enable a Food Assistance Program (FAP) household member to work. A standard deduction from income is allowed for each household. The amount of the standard deduction depends on the number of members in the household. Certain non-reimbursable medical expenses 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. There is a maximum deduction for households that do not contain a member classified as a senior, disabled, or veteran. Bridges Eligibility Manual, Items 500 and 554; Program Reference Manual, Table 255; 7 CFR 273.2.

In this case, the Administrative Law Judge has reviewed the Food Assistance Program (FAP) budget and finds that the department properly computed the claimant's net income and expenses. 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 Program Reference Manual, Table 260. The issuance table provides that a household with household size and net income of the claimant's is eligible for a Food Assistance Program (FAP) allotment of \$33.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services determine the proper amount of Claimant's Food Assistance Program (FAP) benefits.

It is ORDERED that the actions of the Department of Human Services, in this matter, are UPHELD.

/s/ \_\_\_\_\_  
Gary F. Heisler  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: March 2, 2010

Date Mailed: March 10, 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.

GFH [REDACTED]

cc:

[REDACTED]