

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: 2010-22728  
Issue No: 3002  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
April 7, 2010  
Jackson 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 2/17/2010. After due notice, a telephone hearing was held on Wednesday, April 7, 2010.

The Claimant's hearing request mentioned a State Emergency Relief request for a utility shut off. However, the Claimant testified that there is no current emergency, and that the issue had been resolved prior to the hearing. The Claimant testified that she no longer wanted a hearing concerning her SER eligibility.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program 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 receives FAP benefits as part of a group of three.
- (2) The Claimant received Unemployment Compensation benefits in the gross monthly amount of [REDACTED].
- (3) The Claimant received child support payments in the gross monthly amount of [REDACTED].
- (4) The Claimant has housing expenses of [REDACTED] per month, and is responsible for paying for heat separately from rent.
- (5) The Department completed a FAP budget on December 18, 2009, and determined that the Claimant was entitled to a monthly FAP allotment of [REDACTED].
- (6) The Department received Claimant's hearing request on February 17, 2010, protesting a reduction of her FAP allotment.

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 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.

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. BAM 105, p. 5. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130, p. 1. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130, p. 1. The Department uses documents, collateral

contacts, or home calls to verify information. BAM 130, p. 1. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130, p. 2. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130, p. 2.

In this case, the Claimant receives Unemployment Compensation payments of [REDACTED] on a bi-weekly basis, which produces [REDACTED] in monthly-earned income when multiplied by the 2.15 conversion factor. The Claimant receives [REDACTED] in prospective child support, which is determined by taking the average of three-month average of child support payments actually received. This results in a total gross unearned income of [REDACTED] monthly. A standard deduction of [REDACTED] is subtracted from the total income resulting in an adjusted gross income of [REDACTED]. Claimant's excess shelter deduction of [REDACTED] is determined by taking Claimant's [REDACTED] shelter expense and a [REDACTED] heat and utility standard, and subtracting half of here adjusted gross income. Subtracting the excess shelter deduction from her adjusted gross income, results in a net income of [REDACTED].

Claimant argued that the amount of child supported considered in her FAP budget does not reflect the level of income that she actually receives. However, the Department used the previously reported child support data to compile Claimant's FAP budget on December 18, 2009, and no new information had been received.

A claimant with a group size of 3 and a net income of [REDACTED] is entitled to FAP benefits 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 computing Claimant's FAP benefits.

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 computing Claimant's FAP benefits.

Accordingly, the Department's FAP determination is AFFIRMED, it is SO ORDERED.

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

Date Signed: April 26, 2010

Date Mailed: April 27, 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/vmc

cc:

