

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: 2010-27777  
Issue No: 3002, 2001  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
April 22, 2010  
St. Clair 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 February 24, 2010. After due notice, a telephone hearing was held on Thursday, April 22, 2010.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) and Adult Medical Program (AMP) 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 a group of one.
- (2) The Claimant receives AMP benefits.
- (3) The Claimant receives [REDACTED] in earned income on a bi-weekly basis.

Department Exhibit 5.

(4) The Department completed a FAP budget on February 19, 2010, and determined that the Claimant was entitled to a monthly FAP allotment of [REDACTED]. Department Exhibit 7.

(5) The Department completed an AMP budget on February 19, 2010, and determined that the Claimant was no longer eligible for AMP benefits. Department Exhibit 7.

(6) The Department received the Claimant's request for a hearing on February 24, 2010, protesting the closure of his AMP benefits and the reduction of his FAP benefits.

#### 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).

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, et seq. Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) 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.

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.

The Claimant receives a bi-weekly paycheck in the gross amount of [REDACTED], which when multiplied by 2.15 produces a monthly income of [REDACTED]. This amount is first reduced by 20% for the earned income deduction, and then the [REDACTED] standard deduction to determine the Claimant's adjusted gross income of [REDACTED]. The Claimant has no housing expenses, but is entitled to a [REDACTED] credit under the Low Income Home Energy Assistance Program (LIHEAP). The Claimant may take an excess shelter deduction of [REDACTED], which is his [REDACTED] LIHEAP credit less 50% of his adjusted gross income. The Claimant's net income of [REDACTED] is determined by subtracting his excess shelter deduction from his gross adjusted income. A claimant with a group size of one 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 when determining Claimant's FAP allotment.

The Claimant receives two paychecks each month in the gross amount of [REDACTED]. For AMP budgeting purposes, this results in a total earned income of [REDACTED]. Claimant's net income of [REDACTED] is determined by subtracting [REDACTED] plus 20% from his total earned income. The income limit for an individual living independently is [REDACTED]. RFT 236. Because the Claimant exceeds this income limit, I find that the Department has established that it acted in accordance with policy determining Claimant's AMP eligibility.

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 determining the Claimant's FAP and AMP eligibility.

The Department's FAP and AMP eligibility determinations are AFFIRMED, it is SO ORDERED.

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

Date Signed: April 30, 2010

Date Mailed: April 30, 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:

