

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: 2010-29754  
Issue No: 3002  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
May 4, 2010  
Kalkaska 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 May 4, 2010. Claimant's husband 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.
- (2) On March 1, 2010, Claimant submitted a Semi-Annual Contact Report (DHS-1046).

The report indicated a small increase in Claimant's earned income.

- (3) On March 31, 2010, Claimant was sent a Notice of Case Action (DHS-1605) which

stated her Food Assistance Program (FAP) benefits would be reduced by \$2. The new amount was \$ [REDACTED] per month.

(4) On April 3, 2010, Claimant's husband made a verbal request for hearing to the DHS case worker.

### 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 Program Reference Manual (PRM).

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 Claimant's benefit group consists of herself, her husband, and their son. Claimant has earned income from home help employment, Claimant's husband receives Supplemental Security Income (SSI), and their son also receives Supplemental Security Income (SSI). This Administrative Law Judge has reviewed the Food Assistance Program (FAP) budget and found unanswered discrepancies in the amount of unearned income attributable to Claimant's son. Department Exhibit # 23 shows that Claimant's son is eligible for \$ [REDACTED] of Supplemental Security Income (SSI) but has \$ [REDACTED] held out for overpayment. In accordance with Bridges Eligibility Manual items 500, 503, 660, and RFT 248 the amount of unearned income attributable to Claimant's son should be \$ [REDACTED] + \$ [REDACTED] = \$ [REDACTED]. Department Exhibit # 17 shows that only \$ [REDACTED] of unearned income is being attributed to Claimant's son. That discrepancy results in a \$ [REDACTED] shortage of net income in the current financial eligibility budget. The current budget shows a net income of \$ [REDACTED] but should be \$ [REDACTED]. 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 \$ [REDACTED] is eligible for a Food Assistance Program (FAP) allotment of \$ [REDACTED].

Based on the evidence submitted by the Department, Claimant is being overpaid \$ [REDACTED] in Food Assistance Program (FAP) benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services DID NOT 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 REVERSED.

It is further ORDERED that the Department of Human Services revisit all relevant entries into the Bridges computer program and recalculate Claimant's April 9, 2010 financial eligibility budget.

/s/

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

Date Signed: May 10, 2010

Date Mailed: May 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/alc

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