

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.: 2010-30795
Issue No.: 1015 / 3002
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date:
May 12, 2010
Macomb County DHS (12)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on May 12, 2010. Claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS properly reduced Claimant's Family Independence Program (FIP) benefits and Food Assistance Program (FAP) benefits due to increased income.

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 FIP and FAP benefits recipient.
2. Claimant attended Jobs, Employment and Training (JET) as a requirement for receipt of her FIP benefits.

3. On 2/24/10, Claimant reported beginning new employment to her JET worker.
4. Claimant reported to JET that she would babysit for forty hours per week but that she did not know her hourly wage.
5. The JET worker's documentation assumed Claimant would make \$7.40/hour (Michigan's minimum wage) in her new employment.
6. Claimant never reported her actual wage of \$2/hour to DHS.
7. Claimant signed the JET worker's documentation regarding Claimant's new employment information.
8. The JET worker forwarded the documentation of Claimant's new employment to DHS for processing; Claimant did not contact DHS regarding the new employment.
9. On 4/1/10, DHS added Claimant's new employment income to her case resulting in a reduction in FIP and FAP benefits.
10. Claimant submitted a hearing request on 4/9/10 regarding the reduction of her FAP and FIP benefits.

CONCLUSIONS OF LAW

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (formerly known as the Family Independence Agency) administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The Food Assistance Program (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 (formerly known as the Family Independence Agency) 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 Reference Tables Manual (RFT).

Claimant contends that DHS is calculating her FIP and FAP benefits based on an inflated income amount. Claimant testified she makes only \$2/hour and DHS is budgeting Claimant's income at \$7.40/hour based on an assumption made by Claimant's JET worker. Claimant's contention has merit but is ultimately not persuasive.

First, Claimant reported new employment to JET without reporting any hourly wage. The assumption made by the JET worker that Claimant made \$7.40/hour (Michigan minimum wage per MCL 408.471) was reasonable in light of the lack of contradictory information. More compelling is that Claimant signed a document agreeing that her wage was \$7.40/hour. Claimant cannot claim injustice for an income budgeting error when she is the source of the mistake.

Secondly, Claimant was aware of the hourly wage recorded by JET and failed to ever report her correct wage. Had Claimant attempted to contact JET or DHS with her actual hourly wage, Claimant's argument would be stronger; it is not believed that Claimant made such attempts. Even if Claimant had waited until submitting her hearing request to report the \$2/hour wage, that might have been sufficient to report that DHS was calculating her benefits incorrectly. Claimant's hearing request was silent regarding her hourly wage and simply questioned why her

benefits were reduced. Claimant either knew or should have known why her benefits were reduced.

Claimant benefitted from reporting a wage of \$7.40/hour because she did not have to continue attending JET. If the \$2/hour wage was reported, Claimant would still have JET participation requirements as her income would not have excused her from participation.

Though DHS mistakenly calculated Claimant's FIP and FAP benefits based on incorrect income, the mistake was caused by Claimant, not DHS. DHS followed the policies of BAM 220 required to reduce Claimant's FIP and FAP benefits. It is found that DHS correctly processed Claimant's FIP and FAP reduction based on the income information provided by Claimant. Claimant can still report and verify the correct income to DHS to have her future benefits adjusted.

DECISION AND ORDER

The actions taken by DHS are AFFIRMED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly reduced Claimant's FAP and FIP benefits.



Christian Gardocki
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 5/26/2010

Date Mailed: 5/26/2010

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.

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