

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 38072  
Issue No.: 3002  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date:  
June 28, 2010  
Wayne County DHS (55)

ADMINISTRATIVE LAW JUDGE: Jeanne M. VanderHeide

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 on May 27, 2010. After due notice, a telephone hearing was conducted on June 28, 2010 from Detroit, Michigan. The Claimant appeared and testified. [REDACTED], FIM and [REDACTED], ES appeared on behalf of the Department.

ISSUE

Whether the Department properly computed the Claimant's Food Assistance ("FAP") benefits following her 5/8/10 application?

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 applied on-line for FAP benefits on 5/8/10.
2. The processing center entered into the system an incorrect social security number and birth date for Claimant.

3. The Department testified that birth date and SSN were corrected as of 6/7/10.
4. A budget was run and for May the Department awarded Claimant \$149.00 in FAP benefits and \$16.00 in FAP benefits for June.
5. The Department testified that Claimant received child support as follows:
  - a. March \$453.00 + \$19.54
  - b. April \$660.00
  - c. May \$473 + \$15.30
6. Claimant testified that she has not yet received her FAP benefits on her bridge card.
7. The Department indicated that the benefits view from Bridge's indicates that the bridge card was paid \$260.00.
8. Claimant testified that she is receiving unemployment compensation benefits (UCB) of \$630.00 biweekly.
9. Claimant testified that there are 3 people in her household.
10. Claimant testified that she is responsible for \$1,066.10 per month for mortgage which includes taxes and insurance. Claimant is also responsible for her utilities.
11. The Department did not submit any FAP budgets or calculations into evidence.
12. Claimant objected to the FAP calculations effective 5/8/10 through the present and filed this appeal. The Department received the Claimant's Request for Hearing on May 27, 2010.

#### CONCLUSIONS OF LAW

The Food Assistance Program, 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”), formally known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et. seq.* and MAC R 400.3001-3015. Departmental policies are found in the Bridges Administrative Manual (“BAM”), the Bridges Eligibility Manual (“BEM”), and the Reference Tables (“RFT”).

The federal regulations define household income to include all earned income. 7 CFR 273.9(b). All monthly income must be converted to a nonfluctuating monthly amount. Only 80% of earned income is counted in determining FAP benefits. PEM/BEM 550. Under 7 CFR 273.9, as amended, \$132.00 is deducted from the gross income of FAP recipients in determining FAP grants. Under 7 CFR 273.9 deductions for excess shelter are also made. PEM/BEM 554. Id. There is a standard heat and utility deduction as well as a standard deduction for telephone bills. Id. The standard deductions are a set amount that is applied regardless of the actual expenses incurred by the Claimant.

When calculating the benefit amount, according to PEM/BEM 556, the Shelter set offs are added together to equal A. The income after deductions is divided by two and equals B.  $A - B = C$ . The lesser of C or the maximum shelter amount set forth in RFT 255 will be deducted from the reduced income in determining the final net amount. The amount of food assistance allotment is established by regulations at 7 CFR 273.10 based on a group’s net income.

In the present case, according to the aforementioned policy on budgeting, Claimant’s shelter costs equal  $\$1066.00 + \$555.00 = \$1621.00$  (A). Claimant’s monthly UCB is \$1365 per month ( $\$630/\text{week} \times 26 \text{ weeks} / 12 \text{ months}$ ) and her child support is prospectively \$540.00 per month for a total gross income of \$1905.00.  $50\%$  of the income less deductions = \$886.00 (B).  $(A - \$1621) - (B - \$886) = \$735.00$ , but the maximum shelter amount is \$459.00. Claimant has a net

monthly income of \$1,314.00. This was obtained by subtracting the standard deduction of \$132.00 and the maximum excess shelter amount of \$459.00 from the gross income of \$1,905.00. A household of three people with a net monthly income of \$1,314.00 is entitled to a monthly FAP grant of \$131.00 per month. RFT 260.

The Department testified that a \$260.00 supplement was issued to Claimant which would be \$2 short of correct. However, Claimant testified credibly that she had not received it on her bridge card yet. The Department was relying on the “benefits view” from Bridges. Accordingly, the Department needs to check the actual bridge’s card expenditure sheet for Claimant which will indicate what was deposited and spent off the card to make sure that the correct supplement was issued.

Based upon the foregoing facts and relevant law, it is found that the Department’s FAP determination is REVERSED.

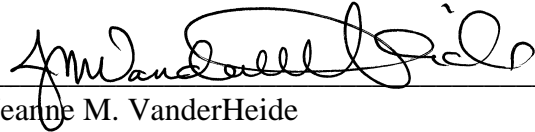
#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department improperly calculated the Claimant’s FAP allotment.

Accordingly, it is ORDERED:

1. The Department’s FAP calculation effective 5/8/10 through the present is REVERSED.
2. The Department shall reprocess Claimant’s FAP benefits from the date of application, 5/8/10, forward using the FAP budgets set forth above.
3. The Department shall check the bridge card expenditure sheet to determine whether a \$260.00 supplement was actually issued and correct the supplement if not yet issued.

4. The Department shall supplement Claimant with any lost benefits she was otherwise entitled to receive per the budgets set forth above.



Jeanne M. VanderHeide  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 07/13/2010

Date Mailed: 07/13/2010

**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.

JV/cjp

cc:

