

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: 2010-5203
Issue No: 3015
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
December 9, 2009
Genesee County DHS

ADMINISTRATIVE LAW JUDGE: Landis Y. Lain

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 telephone hearing was held on December 9, 2009. Claimant personally appeared and testified.

ISSUE

Did the Department of Human Services (the department) properly reduce 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 is an SSI benefit recipient.
- (2) Claimant was receiving \$94 per month in Food Assistance Program benefits.

(3) On October 19, 2009, claimant called the department and stated that he paid rent and utilities.

(4) On October 19, 2009, claimant called the department again and stated that he was homeless and had no shelter expense and he wanted his address changed.

(5) The department caseworker explained to claimant that his shelter expense would be removed from his budget.

(6) On October 20, 2009, claimant called to state that he was moving but wouldn't provide an address but wanted his address changed back to the original address.

(7) The department caseworker explained to claimant that that could be done but he would have to provide a physical address in order to receive credit for the shelter expense and he could also pick a shelter form at the front desk.

(8) On October 19, 2009, the department caseworker sent claimant notice that his Food Assistance Program benefits would be reduced to \$53 per month because he no longer had a shelter expense.

(9) On October 21, 2009, claimant called the department and wanted to know why his Food Assistance Program benefits were being decreased.

(10) The department caseworker explained to claimant that his shelter expense was removed and he did not provide a shelter form, the expense was removed from his budget and his Food Assistance Program benefits were reduced accordingly.

(11) On October 21, 2009, claimant filed a request for a hearing to contest the department's negative action.

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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Caseworkers are required to use only available countable income to determine eligibility. BEM 500 defined countable income. BEM 505 defines available income and income change processing. BEM 550 describes the income budgeting policy.

Income means the benefit or payment received by an individual which is measured in money. It includes money an individual owes even if not paid directly such as income paid to a representative. Countable income is the amount remaining after applying policy. This is the amount used to determine eligibility and benefit level. Earned income means income received from another person or organization or from self employment for duties that were performed for remuneration or profit. Unearned income is all income that is not earned. Gross income is the amount of income before any deductions such as taxes or garnishments are taken. This may be more than the actual amount an individual receives.

In the instant case, claimant was receiving \$620 per month in unearned income. He was given the standard deduction of \$132. Because claimant is a SSI benefit recipient he was categorically eligible to receive benefits. The maximum benefit amount for a one person group receiving SSI benefits is \$176. 30% of net income equals \$147. Claimant was given a \$24

economic recovery amount. \$176 in maximum benefit amount plus the \$24 recovery amount equals \$200. The department counted 30% of claimant's net income which is \$147. \$200 minus \$147 equals \$53 in monthly Food Assistance Program benefits amount. Claimant was not given a shelter verification because claimant admitted on the record that he is currently and was at all times relevant to this hearing homeless and therefore does not have a shelter expense. The Program Reference Manual RFT 260 indicates that a person with net income of \$488 is entitled to \$53 per month in Food Assistance Program benefits. The \$488 was determined from the \$620 in gross unearned income minus the \$132 in standard deduction for a net monthly income of \$488. The department's determination that claimant is eligible to receive \$53 per month in Food Assistance Program benefits is correct and the department's decision must be upheld.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department correctly determined that claimant is supposed to receive \$53 per month in Food Assistance Program benefits because he no longer had a shelter expense and became homeless.

Accordingly, the department's decision is AFFIRMED.

/s/

Landis Y. Lain
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: December 14, 2009

Date Mailed: December 14, 2009

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.

LYL/vmc

cc:

