

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: 2011-11775  
Issue No.: 3002, 4013  
Case No.: [REDACTED]  
Hearing Date:  
January 26, 2011  
Wayne County DHS (55)

ADMINISTRATIVE LAW JUDGE: Lynn Ferris

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 by the undersigned on January 26, 2011. Claimant appeared and testified on his own behalf. Tanisha Carter, FIM, and Lameda Ritchie, Assistant Payments Worker appeared on behalf of the department.

ISSUE

Whether the Department of Human Services, (DHS) properly reduced the claimant's Food Assistance Program ("FAP") benefits.

Whether the Department of Human Services (DHS) properly closed the Claimant's State Disability Assistance Case?

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 Food Assistance (FAP) recipient.

2. The Claimant had a review on October 13, 2010, at which time he did not report that he was paying rent. At that time it was also determined that he had begun receiving RSDI.
3. On November 16, 2010 by Notice of Case Action the Department reduced the Claimant's FAP assistance to \$30.00 effective December 1, 2010. Exhibit 1 and Exhibit 5
4. The Claimant began receiving RSDI (Social Security Disability benefits) in the Amount of \$910 per month. Exhibit 1 and Exhibit 4
5. Prior to receiving RSDI benefits the Claimant received SDA benefits in the amount of \$269 per month and received \$200 per month in FAP benefits. Exhibit 2
6. The Reason for the reduction in the Claimant's FAP benefits was due to the increase in unearned income as a result of the Claimant receiving RSDI.
7. The claimant testified that he pays rent of \$650 but the Department did not include rent in the calculation of the Claimant's FAP benefits as the Claimant did not report paying rent during the October 13, 2010 review and has not filed a rent/shelter verification. The Claimant's FAP group consists of one member. The Claimant's excess shelter deduction as computed by the Department in the amount of \$204 is correct. Exhibit 3
8. The Department did not include the Claimant's rent in the excess shelter deduction as it was not verified or reported by the Claimant. Exhibit 3

9. Claimant filed a Hearing Request on November 26, 2010 objecting to the amount reduction in his FAP benefits and the closure of his SDA benefits. The hearing request was received by the Department on December 3, 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 Table Manuals ("RFT").

DHS processed a FAP budget for Claimant November 1, 2010 which is correct. The budget included a change in unearned income from RSDI which the Claimant began receiving. The unearned income is correct, and was confirmed by the Claimant, and must be included in the FAP budget calculation. BEM 556 directs how FAP benefits are calculated.

The December 2010 budget is correct. The only discrepancy for this budget is whether the excess shelter deduction of \$204 is correct. Based upon the evidence presented the Department's calculation of the excess shelter amount is correct. The Department credited the Claimant \$588 standard utility allowance and calculated correctly 50% of the Claimant's adjusted gross income to be \$384. (\$588 - \$384 =

\$204). The Department did not include the \$650 in rent reported by the Claimant at the hearing as he had not previously reported paying rent as of his last case review, and no shelter verification was filed by the Claimant. The Claimant is urged to return a shelter verification to the Department so that his FAP budget can be recalculated to include his ongoing rent.

Based upon a review of the Department's budget it is found that the Department properly calculated the Claimant's FAP benefits amount beginning December 1, 2010. As also explained by the Department at the hearing, the Claimant's previous FAP budget included a much lower amount for unearned income from SDA of \$269 and thus when the Claimant began receiving RSDI the Claimant's FAP benefits went down due to the increase in income.

#### SDA Case Closure

The State Disability Assistance (SDA) Program which provides financial assistance for disabled persons in established by 2004 PA 344. The Department of Human Services (DHS or Department) administers the SDA program pursuant to MCL 400.10, et seq., and MAC R400.3151-400.3180. Department policies are found in the Bridges Manual (BM) and Bridges Eligibility Manual (BEM) and the Bridges Program Reference Manual (PRM).

#### **Deficit Test**

#### **FIP, RAPC and SDA Only**


Bridges compares budgetable income for the income month to the certified group's payment standard for the benefit month. The group is ineligible for the benefit month if no deficit exists. BEM 518, page 2.

In this case the Claimant payment standard for a group of 1 person is \$269 as provided in RFT 225, and the budgetable income was \$910. Subtracting the payment standard of \$269 from \$910 does not yield a deficit and thus the Claimant is ineligible for SDA. The Department's determination to close the Claimant's SDA case was correct.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly calculated Claimant's FAP beginning December 1, 2010. Accordingly, the Department's determination of the Claimant's FAP reduction in benefits and FAP allotment amount of \$30 is correct and its action is AFFIRMED.

The Department properly determined that the Claimant was no longer eligible for SDA and that the Claimant's SDA case must close and its determination to close the Claimant's SDA case is AFFIRMED.



Lynn M. Ferris  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 02/02/11

Date Mailed: 02/03/11

**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 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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.

LMF/dj

cc:

