

STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

[REDACTED]

ADMINISTRATIVE LAW JUDGE: [REDACTED]

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 received on [REDACTED]. After due notice, a telephone hearing was held on [REDACTED]. Claimant personally appeared and provided testimony.

ISSUE

Whether the department properly determined 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 receiving FAP at all times pertinent to this hearing. (Hearing Summary).
2. Claimant's Senior/Disabled/Veteran (SDV) group size is 1.
3. Claimant received Social Security Insurance (SSI) in the amount of [REDACTED]. (Department Exhibit 5).
4. On [REDACTED], the department mailed Claimant a Notice of Case Action informing her that her FAP benefits would decrease to [REDACTED] a month, effective [REDACTED] because her shelter expense had changed. (Department Exhibits 16-17).
5. Claimant submitted a hearing request on [REDACTED], protesting the decrease in her FAP benefits. (Request for a Hearing).

## CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1).

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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 Bridges Reference Manual (BRM).

For FAP purposes, all earned and unearned income available to Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMP), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

The department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505.

In this case, Claimant requested the hearing because she did not understand why her FAP benefits decreased. According to the department, the previous case worker used the wrong amount for Claimant's housing expense. The worker had used the rent of [REDACTED] for the housing expense, although Claimant clearly wrote on her [REDACTED] Assistance Application that she only [REDACTED] because she qualified for Section 8.

Claimant then moved into a new apartment with a rent of [REDACTED]. When Claimant reported the move and new rent to the department, the change in housing expense was made and a new budget was run which resulted in the decrease in FAP benefits.

Claimant does not dispute that she was receiving monthly unearned income in the amount of [REDACTED] at the time relevant to this matter. A medical deduction of [REDACTED]

and the standard deduction of [REDACTED] were subtracted from Claimant's countable income leaving an adjusted gross income of [REDACTED]).

An excess shelter deduction is determined by adding Claimant's monthly housing expenses to the [REDACTED] standard heat and utility deduction under the Low Income Home Energy Assistance Program, and subtracting half of Claimant's adjusted gross income. Claimant's rent was [REDACTED] which is added to the [REDACTED] standard heat and utility deduction for a total of [REDACTED]. Half of Claimant's adjusted gross income of [REDACTED]

[REDACTED] Since Claimant meets the senior/disabled/veteran criteria, the department would be required to deduct her excess shelter expense of [REDACTED] from her adjusted gross income of [REDACTED], which leaves net income [REDACTED]. BEM 556.

Federal regulations at 7 CF 273.10 provide standards for income and the amount of household benefits. In accordance with the federal regulations, the department has prepared income and issuance tables which can be found at RFT 260. This issuance table provides that a household size of one with net income of [REDACTED] is entitled to an [REDACTED] FAP allotment. Therefore, the department's FAP eligibility determination was correct based on Claimant's SSI.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department acted in accordance with policy in determining Claimant's FAP eligibility.

The department's FAP eligibility is AFFIRMED.

It is SO ORDERED.

\_\_\_\_\_  
/s/ [REDACTED]

Date Signed: [REDACTED] \_\_\_\_\_

Date Mailed: [REDACTED] \_\_\_\_\_

**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.

[REDACTED]