

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
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 by authority of MCL

[REDACTED]

After due notice, a telephone hearing was held on [REDACTED]

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) eligibility?

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 is an ongoing Food Assistance Program (FAP) recipient as a group of three.
2. The Claimant receives monthly earned income in the gross monthly amount of [REDACTED]
[REDACTED] which consists of unemployment compensation benefits and child support.
4. The Department completed a FAP budget for [REDACTED]
[REDACTED]
5. The Department received the Claimant's request for a hearing on [REDACTED]
[REDACTED], protesting the amount of her monthly FAP allotment for [REDACTED]
and [REDACTED]

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (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 (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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

Clients must report changes in circumstance that potentially affect eligibility or benefit amount within 10 days of receiving the first payment reflecting the change. BAM 105. Income reporting requirements are limited to the following:

Earned income:

- Starting or stopping employment.
- Changing employers.
- Change in rate of pay.
- Change in work hours of more than five hours per week that is expected to continue for more than one month.

Unearned income:

- Starting or stopping a source of unearned income.
- Change in gross monthly income of more than \$50 since the last reported change.

Other changes:

- Persons in the home.
- Marital status.
- Address and shelter cost changes that result from the move.
- Vehicles.
- Assets.
- Child support expenses paid.
- Health or hospital coverage and premiums.
- Day care needs or providers. BAM 105

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. BAM 105. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130. A collateral contact is a direct contact with a person, organization, or agency

to verify information from the client. BAM 130. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

In this case, the Claimant is an ongoing Food Assistance Program (FAP) recipient as a group of three. The Claimant receives monthly earned income in the gross monthly amount of [REDACTED]. The Claimant receives monthly unearned income in the gross monthly amount [REDACTED], which consists of unemployment compensation benefits and child support. The Claimant's adjusted gross income of [REDACTED] was determined by applying a [REDACTED] income credit and [REDACTED] excess shelter deduction of \$394 was determined by adding her monthly shelter expenses to the [REDACTED] and utility standard and subtracting [REDACTED] of her adjusted gross income.

The Claimant's net income of [REDACTED] was determined by subtracting her excess shelter deduction from her adjusted gross income. A group of [REDACTED]

The Claimant's monthly FAP allotment was determined by using her earned income from [REDACTED]. Unemployment compensation benefits and child support income is automatically updated in the Department's benefit determinations on a monthly basis.

The Claimant does not dispute the amount of child support or unemployment compensation benefit used in her FAP budget. The Claimant argued that she provided the amount of her earned income to the Department on a monthly basis, and that the Department failed to recognize a decrease in earned income in [REDACTED]

The Department must obtain verification when:

- Required by policy.
- Required as a local office option.
- Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130.

The Department must verify non-excluded earned income at all of the following:

- Application, including a program add, prior to authorizing benefits.
- At member add, only the income of the member being added.
- Redetermination.
- When program policy requires a change be budgeted.
- For FAP, verify income that decreases or stops. BEM 501.

In this case, the Department did not receive verification of the Claimant's decrease in earned income until [REDACTED]. Without verification, the Department was unable to

apply the Claimant's decrease in income to her January and February monthly allotments.

Based on the evidence and testimony available during the hearing, the Department has established that it properly determined the Claimant's eligibility for the Food Assistance Program (FAP).

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 the Claimant's FAP eligibility.

The Department's FAP eligibility determination is AFFIRMED. It is SO ORDERED.

_____/s/_____

Date Signed: ___4/11/11_____

Date Mailed: ___4/11/11_____

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 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.

