

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

IN THE MATTER OF:

[REDACTED]

[REDACTED]

[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. (Department Exhibit 1).
2. Claimant receives SSI in the amount of [REDACTED] a month. Claimant's Senior/Disabled/Veteran (SDV) group size is 4. (Department Exhibits 9-10).
3. On [REDACTED], Claimant submitted a Shelter Verification form showing her total monthly shelter obligation was [REDACTED]. The manager of the mobile home park also noted on the back of the form that Claimant's lot rent [REDACTED]

[REDACTED]

4. The department prepared a FAP budget based on Claimant's shelter expense of [REDACTED] and determined Claimant was eligible for [REDACTED] in FAP benefits. (Department Exhibits, 9, 2A-4A).
5. The department mailed Claimant a Notice of Case Action on [REDACTED] [REDACTED] because her net income or shelter expense had changed. It is noted that this Notice was mailed to the Claimant's previous address and Claimant never received it. (Department Exhibits 20-24).
6. The department mailed Claimant a Notice of Case Action on [REDACTED], informing Claimant her FAP benefits were decreasing to [REDACTED] a month beginning [REDACTED] because her shelter deduction and net income had changed. This Notice was mailed to the wrong address and Claimant never received it. (Department Exhibits 15-19).
7. The department mailed Claimant a Notice of Case Action on [REDACTED] month beginning [REDACTED] [REDACTED] received it. (Department Exhibits 11-12).
8. Claimant submitted a Shelter Verification form to the department on [REDACTED] showing her rent was [REDACTED]. (Department Exhibits 5A-6A).
9. The department mailed Claimant a Notice of Case Action on [REDACTED] and based on the shelter expense amount of [REDACTED], Claimant's FAP benefit was approved for [REDACTED] a month beginning [REDACTED]. (Department Exhibits 11A-12A).
10. Claimant submitted a hearing request on [REDACTED], protesting that the department was using the incorrect income and address. (Request for a Hearing).

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 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's only concern was the amount the department used for her shelter expense. Claimant testified the department used the improper amount for her rent when determining her FAP budget. Based on the Shelter Expense form the department received from Claimant on [REDACTED] the department prepared Claimant's FAP budget using the lot rent of [REDACTED]. The manager wrote [REDACTED] on the front page of the form as Claimant's total monthly shelter obligation. On the back of the form the manager added a handwritten note that Claimant "is buying home. She is financing home repair thru park. Lot rent will be [REDACTED] repair bill will be [REDACTED] per month until total is paid. Total monthly payment will be [REDACTED]."

Claimant stated that this amount is incorrect and was a mistake on the manager's part for putting that on the form. Claimant testified that she has always paid [REDACTED] in rent and once she was aware of the error, she had been attempting to contact the owners of the mobile home park for documentation. Claimant stated that she believes the department owes her money for using the incorrect shelter expense since November [REDACTED]. Claimant was instructed that she needed to provide documentation that her rent was \$[REDACTED] for the previous months in order to receive past benefits and the record was left open to [REDACTED] for Claimant to do so. As of [REDACTED], Claimant failed to submit any documentation.

Claimant also stated that she had nothing but problems with her previous case worker and that her failure to return telephone calls resulted in numerous errors, including mailing documents to her old address and using the wrong amount for her shelter expense. Claimant was informed of the process for complaints against department workers and that the Administrative Law Judge does not have jurisdiction to hear complaints.

An excess shelter deduction is determined by adding Claimant's monthly housing expenses to the [REDACTED] standard heat and utility deduction under the [REDACTED] 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] excess shelter deduction [REDACTED]. Since Claimant meets the senior/disabled/veteran criteria, the department would be required to deduct her

excess shelter expense of [REDACTED], which leaves net income of [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 four with net income of [REDACTED] is entitled to a [REDACTED] FAP allotment. Therefore, the department's FAP eligibility determination was correct based on Claimant's SSI and rent of [REDACTED] a month.

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]