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

## IN THE MATTER OF:



Reg. No.: Issue No.: Case No.: Hearing Date: 2011-32369 3002

June 27, 2011 Macomb County DHS

# ADMINISTRATIVE LAW JUDGE: Susan C. Burke

# **HEARING DECISION**

This matter is before the undersigned Admini strative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the c laimant's request for a hearing. After due notice, a telephone hearing was held on J une 27, 2011. The claimant appeared and testified. J. ES and ES and FIM, represented the De partment of Hum an Services (Department or DHS.)

## **ISSUE**

Was the Department correct in decreasing Claimant's Food Assistance Program (FAP) benefits due to a decrease in medical expenses?

# FINDINGS OF FACT

The Administrative Law Judge, based on t he competent, material, and substantial evidence on the whole record, finds as material fact:

- 1. Claimant was an ongoing FAP recipient.
- 2. Claimant incurred certain ongoing medical expenses.
- 3. The Department decreas ed Claimant's FAP benefits ef fective May 1, 2011 and ongoing.
- 4. Claimant requested a hearing, protesting the decrease in FAP benefits.

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#### **CONCLUSIONS OF LAW**

The Food Assistanc e Program (FAP) (formerly known as the Food Stamp (FS) program) is establis hed by the Food St amp Act of 1977, as amended, and is implemented by the federal r egulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the FAP program pursuant to CML 400.10 *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manua I (BAM), the Bridges Elig ibility Manual (B EM) and the Bridges Reference Manual (BRM).

BEM 554, p. 3 directs:

Bridges converts all expenses (except one-time-only expenses the group does not wish to average) to a nonfluctuating monthly amount.

The same conversion method is used to determine countable available income in BEM 505. Bridges will convert a(n):

•Weekly expense, multiply the average weekly expense by 4.3.

•Twice a month expense, multiply the average weekly expense by 2.

•Every other week expense, multiply the average expense by 2.15.

•Yearly expense, average the bill over 12 months beginning with the first billing of the year.

•Quarterly expense, average the bill over three months.

•Expense billed less often than monthly. Bridges will average the one-time-only expense over the balance of the benefit period or over the period of time the client has the responsibility to pay. The expense is allowed beginning with the first benefit month the change can affect.

**Example:** Groups that have 24-month benefit periods must be given options for one-time-only medical expenses; see <u>Medical</u> <u>Expenses</u> in this item.

In the present case, the Department decr eased Claimant's FAP benef its because of a purported decrease in medical expenses. Although Claimant did provide receipts, the

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Department told Claimant for the first time at hearing that he must provide proof that the expenses must be recurring. Claimant testified credibly t hat the medical expenses are recurring and he brought additional proof with him to the hearing. In addition, the Department may have not taken yearly expenses into account, such as eye care, per the conversion policy of BEM 554. I am not satisfied that the D epartment protected Claimant's rights, per BAM 105. Therefore, the Department ent's decision t o decrease Claimant's FAP benefits effective May 1, 2011 and ongoing was incorrect.

## DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law decides that the Department was not correct in its decision to decrease Claimant's FAP benefits and it is t herefore ORDERED that the Department's decision is REVERSED. It is further ORDE RED that the Department shall re-determine Claimant's FAP budget, effective May 1, 2011, and ongoing, taking into account medical expenses allowed per Department policy, and any increased payments shall be made in the form of a supplement.

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Susan C. Burke Administrative Law Judge For Maura Corrigan, Director Department of Human Services

Date Signed: 6/29/11

Date Mailed: 6/29/11

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**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party wit hin 30 days of the ma iling date of this Decision and Order. Administrative Hear ings will n ot order a rehearing o r reconsideration on the Department's mo tion where the final decis ion 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 ti mely request for rehearing was made, within 30 days of the receipt of the rehearing decision.

SB/sm

