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: 2011-34589 3015 June 15, 2011 Macomb County DHS

ADMINISTRATIVE LAW JUDGE: Susan Burke

HEARING DECISION

This matter is before the undersigned Admini strative 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 held on J une 15, 2011. The Claimant was present and testified via three-way telephone conference. The D epartment of Human Services (Department) was represented by Assistance Payments Wo rker, and AP Supervisor.

<u>ISSUE</u>

Was the Department correct i n its decisi on to close Claim ant's Food Assistanc e Program (FAP) case due to excess net income?

FINDINGS OF FACT

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

- 1. Claimant was an ongoing FAP recipient.
- 2. Claimant is disabled.
- 3. Claimant incurred medical expenses.
- 4. The Department determined that claimant was not entitled to FAP benefits without taking into consideration Claimant's medical expenses.
- 5. Claimant requested a hearing contesting the closure of her FAP case.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) is est ablished by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations c ontained in T itle 7 of the Code of Federal Regulations ("CFR"). The Department administers the FAP program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in BAM, BEM and PRM, which includes the Reference Tables (RFT.).

The federal regulations define household in come to include SSI and RSDI benefits, as well as earned income. 7 CF R 273.9(b) On ly 80% of earned income is c ounted in determining FAP benefits. BEM 550. Certai n deductions are made from gross incom e to arrive at net income, including medical expenses for disabled persons. BEM 554.

In the present case, the Claimant testified credibly that she submitted medical expenses to the Department. The Department's net income budget did not include the medic al expenses. Without the medica I expenses included in t he budget for Claimant, who is disabled, it cannot be concluded that the Department was correct in its decision to close Claimant's FAP case. The Department was therefore not correct in its decision to close Claimant's FAP case.

DECISION AND ORDER

The Administrative Law Judge, based upon t he above findings of fact and conclusion s of law decides that the Depart tment was not correct in its decision to close Cla imant's FAP case, and it is therefore ORDERED that the Department's decision is REVERSED. It is further ORDERED that the Department shall r einstate Claimant's F AP case, effective May 1, 2011, if she is otherwise eligible. It is further ORDERED that any missed or increased payments shall be made in supplemental form.

proa C. Buche

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

Date Signed: 6/20/11

Date Mailed: 6/20/11

2011-34589/SB

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party wit Decision and Order. Administrative Hear 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

