

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

IN THE MATTER OF:

[REDACTED]

Reg. No. 201134766
Issue No. 3002
Case No. [REDACTED]
Hearing Date: June 20, 2011
Oakland County DHS (02)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative 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 June 20, 2011. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED] Specialist, and [REDACTED] Manager, appeared and testified.

ISSUE

Whether DHS properly determined Claimant's Food Assistance Program (FAP) benefit issuance effective 6/2011.

FINDINGS OF FACT

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

1. Claimant was an ongoing FAP benefit recipient.
2. Claimant was a disabled individual.
3. Claimant was part of a household of one person.
4. Claimant received \$1144/month in Retirement, Survivors, Disability Insurance.
5. Claimant paid a monthly rent of \$123/month.
6. On an unspecified date, DHS determined Claimant's eligibility for FAP benefits as \$16/month effective 6/2011.

7. On 5/12/11, Claimant requested a hearing to dispute the amount of the 6/2011 FAP benefits issuance.

CONCLUSIONS OF LAW

The Food Assistance Program (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). DHS (formerly known as the Family Independence Agency) administers the FAP pursuant to Michigan Compiled Laws 400. 10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

The undersigned will refer to the DHS regulations in effect as of 5/2011, the estimated month of the DHS decision which Claimant is disputing. Current DHS manuals may be found online at the following URL: <http://www.mfia.state.mi.us/olmweb/ex/html/>.

In the present case, Claimant disputed the amount of a 6/2011 FAP benefit issuance. BEM 556 outlines the proper procedures for calculating FAP benefits.

It was not disputed that Claimant received \$1144/month from RSDI. For all programs, the gross amount of RSDI is countable income. BEM 503 at 20.

DHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 at 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, DHS considers the following expenses: child care and excess shelter (housing and utilities) up to a capped amount and court ordered child support and arrearages paid to non-household members. For groups containing SDV members, DHS also considers the medical expenses for the SDV group member(s) and the full excess shelter expense. It was not disputed that Claimant was a disabled individual, thereby making the FAP benefit group an SDV group.

Verified medical expenses (for SDV groups only) and child support and day care expenses for all FAP groups are subtracted from Claimant's monthly countable income to help determine Claimant's adjusted gross income. Claimant was responsible for a \$115/month Medicare premium which was not factored by DHS; it should have been factored. Applying a \$35 copayment to the medical expenses and reducing the difference from Claimant's monthly income results in a running total income of \$1064.

Claimant testified that he had a car insurance expense obligation. Car insurance expenses are not relevant to a FAP benefit determination. DHS properly did not factor this expense.

Claimant's one-person FAP benefit group received a standard deduction of \$141. RFT 255. The standard deduction is given to all FAP benefit groups though the amount varies based on the benefit group size. The standard deduction is also subtracted from the countable monthly income to calculate the group's adjusted gross income. The adjusted gross income amount is found to be \$923.

It was not disputed that Claimant's rental obligation was \$123/month. DHS gives a flat utility standard to all clients. BPB 2010-008. The utility standard of \$588 (see RFT 255) encompasses all utilities (water, gas, electric, telephone) and is unchanged even if a client's monthly utility expenses exceed the \$588 amount. The total shelter obligation is calculated by adding Claimant's housing expenses to the utility credit (\$588); this amount is found to be \$711.

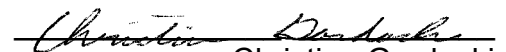
DHS only credits FAP benefit groups with what DHS calls an "excess shelter" expense. This expense is calculated by taking Claimant's total shelter obligation and subtracting half of Claimant's adjusted gross income. Claimant's excess shelter amount is found to be \$250 (rounding up).

Claimant's net income is determined by taking Claimant's adjusted gross income (\$923) and subtracting the allowable excess shelter expense. Claimant's net income is found to be \$673. A chart listed in RFT 260 is used to determine the proper FAP benefit issuance. Based on Claimant's group size and net income, Claimant's FAP benefit amount is found to be \$16, the same amount calculated by DHS.

DHS did not factor Claimant's medical expenses in the FAP budget for 6/2011. Though this was an error, it made no difference in Claimant's FAP benefit issuance. It was suggested that DHS factor the expense for FAP benefit issuances in the future and so Claimant may receive DHS assistance in paying the Medicare premium. However, as the failure to budget the medical expense did not affect the 6/2011 FAP benefit issuance, it is found that the 6/2011 benefit issuance was correct.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly determined Claimant's FAP benefit issuance for 6/2011 as \$16/month. The actions taken by DHS are AFFIRMED.


Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

201134766/CG

Date Signed: June 24, 2011

Date Mailed: June 24, 2011

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 of the rehearing decision.

CG/ctl

cc: [REDACTED]
Oakland County DHS (02)
[REDACTED]
C. Gardocki
Administrative Hearings