

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No: 20113514
Issue No: 3015
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
December 1, 2010
Eaton County DHS

ADMINISTRATIVE LAW JUDGE: Vicki Armstrong

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. After due notice, a telephone hearing was held on December 1, 2010. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly determine that Claimant was not eligible for FAP benefits due to excess income?

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 applied for FAP on October 18, 2010. (Department Exhibit 1).
2. The department denied Claimant FAP benefits due to excess income. (Department Exhibit 1).
3. Claimant's group size is 2. The monthly net income limit for a group size of 2 is \$1,579.00.
4. Claimant submitted a hearing request on October 26, 2010 contesting the denial of her FAP application. (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 Program Reference Manual (PRM).

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.

All income is converted to a standard monthly amount. If the client is paid weekly, the department multiplies the average weekly amount by 4.3. If the client is paid every other week, the department multiplies the average bi-weekly amount by 2.15. BEM 505.

Claimant was receiving monthly earned income in the amount of \$2,473.00 at the time relevant to this matter. Claimant was being paid bi-weekly, and the department determined this amount by multiplying Claimant's gross income of \$1,062.19, \$1,194.39 and \$1,194.39 Claimant earned on August 28, 2010, September 11, 2010, September 25, 2010 respectively, by a 2.15 conversion factor in accordance with the applicable department policy. Therefore, Claimant's group received a total monthly income of \$2,473.00, which is reduced by a 20% earned income deduction of \$495.00 and a standard deduction of \$141.00, which leaves an adjusted gross income of \$1,837.00. An excess shelter deduction of \$254.00 was subtracted from Claimant's adjusted gross income of \$1,837.00 resulting in Claimant receiving \$1,583.00 in net income.

A claimant with a group size of two has a maximum net income limit of \$1,215.00. RFT 250. Because Claimant's net income of \$1,583.00 exceeded the allowable 100% net income limit of \$1,215.00, Claimant is not entitled to FAP benefits for the time period in question.

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/


Vicki Armstrong
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: December 9, 2010

Date Mailed: December 9, 2010

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.

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