

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

IN THE MATTER OF:

[REDACTED]

Reg. No. 201136392
Issue No. 3002
Case No. [REDACTED]
Hearing Date: June 30, 2011
Macomb County DHS (36)

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 30, 2011 from Detroit, Michigan. The Claimant appeared and testified; [REDACTED] also appeared and testified. [REDACTED] appeared and testified as Claimant's authorized hearing representative (AHR). On behalf of Department of Human Services (DHS), [REDACTED] Specialist, appeared and testified.

ISSUE

Whether DHS properly determined Claimant's Food Assistance Program (FAP) benefits effective 4/2011 as \$326 per month.

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 part of a FAP benefit group of two persons that included Claimant's spouse.
3. Claimant and/or her spouse are senior (over 65 years) and/or disabled persons.
4. Claimant and her spouse had a monthly income of \$1,024 from unspecified Social Security Administration (SSA) benefits.

5. Claimant was responsible for a \$600/month housing obligation.
6. On 3/23/11, DHS determined Claimant was eligible for \$326/month in FAP benefits effective 4/2011.
7. On 5/24/11, Claimant requested a hearing to dispute the 4/2011 FAP benefit determination.

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 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 3/2011, the 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 a \$ 326/month FAP benefit issuance for 4/2011. Claimant's primary argument is that she received additional FAP benefits in the past and questioned why her FAP benefits would be reduced if her circumstances did not change. Though Claimant would be understandably confused if a benefit change occurred if her circumstances have not, Claimant's prior FAP issuances have no direct effect on the correctness of the 4/2011 FAP benefit determination.

As a courtesy, DHS provided Claimant an explanation to her concern in the Hearing Summary. DHS explained that when Claimant received higher FAP benefits in the past, DHS failed to consider all of Claimant's benefit group's income. The explanation was apparently unacceptable as Claimant still pursued the administrative hearing. Thus, the undersigned will examine the correctness of the FAP benefit issuance for 4/2011. BEM 556 outlines the proper procedures for calculating FAP benefits.

The starting point for FAP benefit issuances is to determine the FAP group's monthly income. In the present case, it was not disputed that the income for Claimant and her spouse was a combined \$1,024/month.

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. Claimant's FAP benefit group is an SDV group as Claimant and/or her spouse are senior and/or disabled members.

Verified medical expenses for SDV groups, child support and day care expenses are subtracted from Claimant's monthly countable income. Claimant did not claim to have any of these expenses.

Claimant's 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 \$883.

Claimant stated that she paid [REDACTED] \$600/month as rent. DHS did not dispute this expense.

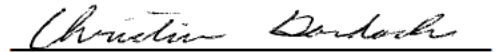
DHS gives a flat utility standard to all clients. BPB 2010-008. The utility standard of \$588 (see RFT 255) encompasses all utilities (water, gas, electric, telephone) and is unchanged even if a client's monthly utility expenses exceed the \$588 amount. The total shelter obligation is calculated by adding Claimant's housing expenses to the utility credit (\$588); this amount is found to be \$1,188.

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 \$747 (rounding up). As an SDV group, Claimant's excess shelter is uncapped.

The FAP benefit group's net income is determined by taking the group's adjusted gross income (\$883) and subtracting the allowable excess shelter expense (\$747). The FAP benefit group net income is found to be \$136. 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 \$326, the same amount calculated by DHS (see Exhibit 1). It is found that DHS properly determined Claimant's FAP benefit eligibility for 4/2011.

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 4/2011 as \$326. The actions taken by DHS are AFFIRMED.



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

Date Signed: July 6, 2011

Date Mailed: July 6, 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 date of the rehearing decision.

CG/cl

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