

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201138306
Issue No.: 3002
Case No.: [REDACTED]
Hearing Date: July 18, 2011
Wayne County DHS (15)

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 July 18, 2011 from Detroit, Michigan. The Claimant appeared and testified; [REDACTED] appeared and testified as Claimant's Authorized Hearing Representative. 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 as \$130/month effective 4/2011.

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 receiving \$200/month in FAP benefits.
2. Claimant was part of a FAP benefit group of one person.
3. Claimant received \$674/month in federal Supplemental Security Income (SSI) and \$42/three months (\$14/month average) in State of Michigan SSI.
4. Claimant does not pay rent.
5. Claimant is responsible for payment of utilities.

6. On 3/10/11, DHS determined Claimant was eligible for \$130/month in FAP benefits effective 4/2011.
7. On 3/25/11, Claimant requested a hearing to dispute the reduction in FAP benefits.

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 \$130/month 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. It was not disputed that Claimant received \$688 in SSI benefits.

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 is a disabled group member.

Verified medical expenses for SDV groups, child support and day care expenses are subtracted from Claimant's monthly countable income. Claimant stated that he had a dental expense but conceded that proof of the medical expense was not submitted to DHS. Claimant was advised to submit proof of the expense for possible consideration in future FAP benefit months.

Claimant's AHR contended that Claimant's expenses for food, toiletries and car insurance were not factored by DHS in the eligibility determination. These expenses are irrelevant to the eligibility determination and were properly ignored by DHS.

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 \$547.

It was not disputed that Claimant pays \$0 in rent. 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 \$588.

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 \$315 (rounding up).

The FAP benefit group's net income is determined by taking the group's adjusted gross income (\$547) and subtracting the allowable excess shelter expense (\$315). The FAP benefit group net income is found to be \$232. 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 \$130, the same amount calculated by DHS. It is found that DHS properly determined Claimant's FAP benefit eligibility for 4/2011.

A couple of items are worth noting. Claimant may have been confused by a reduction in FAP benefits when Claimant's circumstances did not change. DHS clarified the issue by indicating that DHS previously failed to budget Claimant's SSI income until 4/2011. Thus, DHS was issuing the correct FAP benefit amount in 4/2011 but was over-issuing FAP benefits to Claimant prior to 4/2011.

Also, as an SSI recipient, Claimant may be eligible for a FAP benefit determination through the Michigan Combined Application Project (MICAP). Eligibility for MICAP benefits may increase Claimant's FAP benefit amount and/or simplify the redetermination process. Claimant was given the telephone number of 877-416-4227 to begin the application process.

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 eligibility beginning 4/2011 as \$130/month. The actions taken by DHS are AFFIRMED.



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

Date Signed: July 19, 2011

Date Mailed: July 19, 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/hw

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