

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201140336  
Issue No: 3002  
Case No: [REDACTED]  
Hearing Date: July 21, 2011  
Clare County DHS

**ADMINISTRATIVE LAW JUDGE:** COREY A. ARENDT

**HEARING DECISION**

This matter is before me 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 July 21, 2011. The Claimant and Department appeared and provided testimony.

**ISSUE**

Did the Department properly determine Claimant's Family Assistance Program (FAP) benefits?

**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 was receiving FAP at all times pertinent to this hearing. (Hearing Summary).
2. On April 13, 2011, the Department sent Claimant a Redetermination to be filled out and returned.
3. On April 26, 2011, Claimant returned to the Department the Redetermination. (Department Exhibit 12-15).
4. On May 5, 2011, the Department conducted a phone interview with Claimant. During the interview, Claimant told the Department he was working for [REDACTED]. (Hearing Summary)
5. On or around May 5, 2011, the Department sent the [REDACTED] a Verification of Employment form.
6. On May 11, 2011, the [REDACTED] returned to the Department the Verification of Employment form. The Verification of Employment form

indicated the Claimant began working at [REDACTED] on August 20, 2010. (Department Exhibits 3-6).

7. On or around May 13, 2011, the Department ran a new budget for the Claimant to determine the Claimant's eligibility for FAP benefits. The Department used the income numbers provided by [REDACTED].
8. On May 13, 2011, the Department sent the Claimant a notice of case action. The case action indicated the Claimant's FAP benefits were being reduced from [REDACTED] a month to [REDACTED] a month based on his earned income. (Department Exhibit 17).
9. On May 18, 2011, the Claimant submitted to the Department a request for hearing. (Department Exhibit 16).

### **CONCLUSIONS OF LAW**

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1). The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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 Reference Tables Manual (RFT).

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. 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.

In this case, Claimant testified he went from being unemployed and receiving FAP benefits to being employed and receiving a reduced amount in FAP benefits.

An extensive review of Claimant's undisputed budget shows that all calculations were properly made at review, and all FAP issuance/budgeting rules were properly applied. As such, the Department's reduction of Claimant's FAP allotment must be upheld.

**DECISION AND ORDER**

I find, based upon the above findings of fact and conclusions of law that the Department acted in accordance with policy in determining Claimant's FAP eligibility.

The Department's actions are **Affirmed**.

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/s/

Corey A. Arendt  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: July 21, 2011

Date Mailed: July 22, 2011

**NOTICE:** The law provides that within 60 days from the mailing date of the above hearing Decision the Respondent may appeal it to the circuit court for the county in which he/she resides or has his or her principal place of business in this state, or in the circuit court for Ingham County. Administrative Hearings, on its own motion, or on request of a party within 60 days of the mailing date of this Hearing Decision, may order a rehearing.

CAA/cr

cc:

