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

IN THE MATTER OF:

██████████
██████████

Reg. No: 201142439
Issue No: 3015
Case No: ████████
Hearing Date:August 30, 2011
Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Christopher S. Saunders

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 August 30, 2011. Claimant personally appeared and provided testimony.

ISSUE

Whether the department properly closed the claimant's Food Assistance Program (FAP) case 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.   The claimant was receiving FAP benefits in the amount of ████ per month prior to August 1, 2011. (Department Hearing Summary).

2.   The claimant receives ████████ per month from the Social Security Administration in RSDI. (Department Exhibit 7).

3.   On June 21, 2011, a mass update took place through the department. (Department Hearing Summary).

4.   After the mass update, the claimant's income was listed as ████████ and that amount was used to calculate the claimant's eligibility. (Department Hearing Summary).

5.   Based upon the income amount of ████████, the claimant was found to be ineligible for FAP benefits as being over the income limit.

6.   The claimant was sent a notice of case action (DHS 1605) on June 20, 2011 stating that her FAP benefits would be closing as of August 1, 2011 due to excess income. (Department Exhibits 4-5).

7.   The claimant filed a hearing request June 23, 2011.

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).

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. 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 Bridges Reference Manual (BRM).

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.

In the case at hand, the claimant was assigned an income amount of ▮▮▮▮▮ per month after a mass update of the department's systems.   At the hearing, the department representative testified that the claimant was assigned income in the amount of ▮▮▮▮▮ from RSDI and unearned income in the amount of ▮▮▮▮▮ for a

total income of ▮▮▮▮▮▮▮. The department representative testified that this amount was *not* accurate, and that it appeared that the system had doubled the claimant's actual income of ▮▮▮▮▮. The department representative testified that he felt the system had made an error and that the claimant should have her benefits reinstated and, if applicable, provided with any past due benefits due and owing. This Administrative Law Judge agrees, and finds that the claimant's case was improperly closed due to an error in the system.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the claimant's case was closed improperly due to an error in the system.

Accordingly, the department's actions are **REVERSED**.

It is HEREBY ORDERED that the department shall recalculate the claimant's FAP budget back to the date of negative action and, if the claimant is otherwise eligible, reinstate the claimant's benefits and if applicable provide the claimant with any past due benefits due and owing.

_____/s/_____
Christopher S. Saunders
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: September 7, 2011

Date Mailed: September 7, 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.

2011-42439/CSS

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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