

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No: 20118304  
Issue No: 3002, 4011

[REDACTED]

[REDACTED]

Hearing Date: January 11, 2011  
Kent County DHS 41

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on November 16, 2010. After due notice, a telephone hearing was held on Tuesday, January 11, 2011.

**ISSUE**

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) and State Disability Assistance (SDA) eligibility?

**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 applied for FAP and SDA on October 26, 2010.
2. The Claimant receives weekly-earned income of [REDACTED] September 23, 2010, [REDACTED] on September 30, 2010, [REDACTED] on October 7, 2010, [REDACTED] on October 14, 2010, [REDACTED] on October 21, 2010, and [REDACTED] on October 28, 2010.
3. On November 1, 2010, the Department determined that the Claimant was not eligible for SDA benefits due to excess income.
4. On November 23, 2010, the Department determined that the Claimant was not eligible for FAP benefits due to excess income.

5. The Department received the Claimant's request for a hearing on November 16, 2010, protesting the Department's denial of her FAP and SDA applications.

### **CONCLUSIONS OF LAW**

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, et seq. The Department of Human Services (DHS or Department) administers the FIP program pursuant to MCL 400.10, et seq., and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties 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 (AMA), 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.

The Department completed a SDA budget to determine the Claimant's eligibility for benefits. The Claimant receives a monthly-earned income in the gross monthly amount of [REDACTED]. The gross monthly income was determined by multiplying the average of weekly incomes for a 30 day period ([REDACTED] on September 30, 2010, [REDACTED] on October 7, 2010, [REDACTED] on October 14, 2010, [REDACTED]), by the 4.3 conversion factor. The Claimant's countable income was determined by reducing her gross income by a [REDACTED] standard deduction, a 20% earned income deduction, and a [REDACTED] spousal deduction. The payment standard for eligibility to receive SDA benefits is [REDACTED]. Because the Claimant's countable income exceeds the payment standard, she is ineligible to receive SDA benefits.

The Food Assistance Program (FAP) (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). 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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

The Department completed a FAP budget to determine the Claimant's eligibility for benefits. The Claimant receives monthly-earned income in the gross monthly amount of [REDACTED] weekly incomes for a 30 day period ( [REDACTED] on October 7, 2010, [REDACTED] on October 14, 2010, [REDACTED] on October 21, 2010, and [REDACTED] 6 on October 28, 2010), by the 4.3 conversion factor. Since the Department completed its FAP budget on a different date than the SDA budget, the Claimant's income for the previous 30 days covered a different set of paychecks. The gross income limit for FAP benefits is [REDACTED]. RFT 250. The Claimant is not eligible to receive FAP benefits because her gross income exceeds the limit set by the Department's policies. Because the Claimant failed the gross income test, the Department was unable to consider the monthly expenses when determining eligibility.

The Department has established that it acted in accordance with policy when it denied the Claimant's applications for Food Assistance Program (FAP) and State Disability Assistance (SDA) benefits.

#### **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 the Claimant's FAP and SDA eligibility.

The Department's FAP and SDA eligibility determination is AFFIRMED. It is SO ORDERED.

