

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: 2011-8772
Issue No: 3002, 3014

[REDACTED]
Tuscola County DHS

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 3, 2010. After due notice, a telephone hearing was held on Thursday, January 13, 2011.

ISSUES

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

Whether the Department of Human Services (Department) properly determined the Claimant's Medical Assistance (MA) 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 benefits on September 13, 2010.
2. The Claimant receives a monthly pension in the gross monthly amount of [REDACTED]
3. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of [REDACTED]
4. The Claimant has a monthly shelter expense of [REDACTED]

5. The Department completed FAP budgets for September of 2010, October of 2010, and November of 2010. Each of these budgets determined that the Claimant was not eligible for FAP benefits due to excess income.
6. On October 18, 2010, the Department notified the Claimant that she was ineligible for FAP benefits.
7. The Department received the Claimant's request for a hearing on November 3, 2010, protesting the denial of FAP and MA benefits.

CONCLUSIONS OF LAW

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).

For FAP purposes, 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 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.

In this case, the Claimant applied for FAP benefits on September 13, 2010. The Claimant receives a monthly pension in the gross monthly amount of [REDACTED]. The Claimant receives monthly RSDI in the gross monthly amount of [REDACTED]. The Claimant's adjusted gross income of [REDACTED] is determined by taking her total gross monthly income and reducing it by the \$141 standard deduction and the Claimant's [REDACTED] medical expenses. The Claimant has a monthly shelter expense of [REDACTED], which when added to the [REDACTED] heat and utility standard under the Low Income Home Energy Assistance Program is less than half of her adjusted gross income. Therefore, the Claimant is not entitled to an excess shelter deduction.

The Claimant's countable income for FAP purposes is equal to her adjusted gross income. The income limit for a group of two is [REDACTED], and the income limit for a group of one is [REDACTED] RFT 260.

The Claimant argued that her grandson moved in with her in July of 2010, and that the Department did not consider him as part of her FAP group.

The Claimant applied for FAP benefits on September 13, 2010, and they are not paid retroactively, even where a person would have been eligible if they had applied earlier. The Claimant's grandson was not eligible to be a member of the Claimant's group during the months of September of 2010, and October of 2010, because he was already receiving FAP benefits as a member of another FAP group. For November of 2010, the Department added the Claimant's grandson to her FAP group, and determined her eligibility to receive FAP benefits as a group of two.

However, the Claimant was ineligible for FAP benefits due to excess income as a group of one, or as a group of two. The Claimant's countable net income exceeded the net income limit for a group size of one and two. Therefore, the Department has established that it acted in accordance with policy when it denied the Claimant's FAP application due to excess income.

The Department received the Claimant's request for a hearing on November 3, 2010, protesting the denial of Medicaid. The Claimant's application for assistance that the Department received on September 13, 2010, does not indicate a need for Medical Assistance (MA). The Department did not have a reason to determine the Claimant's eligibility for MA or Medicaid.

According to Department policy, the State Office of Administrative Hearings and Rules (SOAHR) may grant a hearing about any of the following:

- Denial of an application and/or supplemental payments.
- Reduction in the amount of program benefits or service.
- Suspension or termination of program benefits or service.
- Restrictions under which benefits or services are provided.
- Delay of any action beyond standards of promptness.
- For FAP only, the current level of benefits or denial of expedited service.

The Claimant grievance does not fall into one of these categories, and there had been no Department negative action with respect to Medical Assistance.

