

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

IN THE MATTER OF:

[REDACTED]

[REDACTED]

[REDACTED]

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing received on [REDACTED]. After due notice, a telephone hearing was held on [REDACTED]. Claimant personally appeared and provided testimony.

ISSUE

Whether the department properly determined Claimant's Food 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. Claimant submitted her Redetermination packet and proof of current income on [REDACTED]. (Department Exhibits 7a-7d).
3. Based on Claimant's report of child support, a new FAP budget was computed and Claimant's FAP benefits decreased from [REDACTED] a month to [REDACTED] a month. (Department Exhibits 2a-2b, 3a-3b).
4. Claimant submitted a hearing request on [REDACTED] 011, protesting the decrease in her FAP benefits. (Request for a Hearing).

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. 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 Program 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.

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.

Claimant is not disputing that she was receiving monthly unearned income in the amount of [REDACTED] at the time relevant to this matter. The standard deduction of [REDACTED]

An excess shelter deduction is determined by adding Claimant's monthly housing expenses to the [REDACTED] standard heat and utility deduction under the Low Income

Home Energy Assistance Program, and subtracting half of Claimant's adjusted gross income. Claimant does not pay rent so her total housing expense was [REDACTED]. Half of Claimant's adjusted gross income of [REDACTED]. This is subtracted from Claimant's housing and utilities for an excess shelter deduction [REDACTED]. [REDACTED] required to deduct her excess shelter expense of [REDACTED] from her adjusted gross income of [REDACTED], which leaves net income of [REDACTED]. BEM 556.

Federal regulations at 7 CF 273.10 provide standards for income and the amount of household benefits. In accordance with the federal regulations, the department has prepared income and issuance tables which can be found at RFT 260. This issuance table provides that a household size of one with net income of [REDACTED] is entitled to a [REDACTED] FAP allotment. Therefore, the department's FAP eligibility determination was correct based on Claimant's SSI.

Claimant testified that she did not understand how a family of three could survive on \$199.00 a month in FAP benefits. The department explained that the previous case worker had not budgeted Claimant's child support, and on receipt of Claimant's report of the child support in her Redetermination packet, the child support was budgeted which caused the reduction in FAP benefits. Claimant did not contest the department's computations, but believed the policy was unrealistic based on the increase in the price of food. However, the Administrative Law Judge does not have authority to change policy.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly determined Claimant's FAP benefits for this period.

The department's determination of FAP benefits is AFFIRMED.

It is SO ORDERED.

[REDACTED]

Date Signed: [REDACTED] \_\_\_\_\_

Date Mailed: [REDACTED] \_\_\_\_\_

**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 date of the rehearing decision.

[REDACTED]

[REDACTED]

[REDACTED]