

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

IN THE MATTER OF:

[REDACTED]

Reg No: 2011-24437
Issue No: 3002
Case No: [REDACTED]
Hearing Date:
May 2, 2011
Wayne County DHS (57)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on April 25, 2011. The Claimant appeared and testified. [REDACTED] appeared on behalf of the Department.

ISSUE

Whether the Department properly calculated Claimant's Food Assistance Program ("FAP") benefits effective 3/1/11.

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material and substantial evidence on the whole record, finds as material fact:

1. Claimant was an ongoing FAP recipient.

2. At the time of the redetermination in March 2011, the Claimant was receiving unemployment benefits in the amount of \$724 biweekly. Exhibit 3.
3. The Claimant's countable unearned income from unemployment benefits is \$724 gross biweekly, \$1556 per month. Exhibits 2 and 3.
4. The Claimant currently receives \$79 per month in food assistance. The Claimant pays \$850 per month for his rent and the Department also granted a \$588 heat and utility credit. The Department calculated the excess shelter deduction to be \$458. Exhibit 5
5. The Department calculated the Claimant's FAP benefits as follows. The Department utilized the claimant's biweekly unemployment income of \$724 and multiplied it by 2.15 as required by policy and determined the countable unearned income to be \$1556.
6. The Department also credited the Claimant with a standard deduction of \$141, which is the standard deduction for one person FAP group. The Claimant is a FAP group of one member and is not disabled. Exhibit 6
7. The Department calculated the Claimant's FAP benefits to be \$79 per month beginning March 1, 2011. Exhibit 1
8. The Claimant requested a hearing on March 7, 2011, questioning the amount of her Food Assistance allotment as her income decreased from 2010, and she could not determine why her food assistance monthly amount went down.

CONCLUSIONS OF LAW

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 (formerly known as the Family Independence Agency) 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 (PRM).

Department Policy defines household income to include unemployment benefits.

Unemployment benefits are included in gross income as provided in BEM 503:

BEM 503, P. 24 -25:

UNEMPLOYMENT BENEFITS

Unemployment benefits include:

- Unemployment compensation benefits (UB) available through the Michigan Unemployment Insurance Agency (UIA) and comparable agencies in other states, and
- Supplemental unemployment benefits (SUB pay) from an employer or other source.

Count the gross amount as unearned income.

The Claimant's gross amount of biweekly unemployment benefits is \$724 and is multiplied by 2.15 to get the gross unearned monthly income. The Department correctly determined the Claimant's gross monthly unearned income to be \$1556.00. BEM 505, P. 6 and 7. Exhibit 2

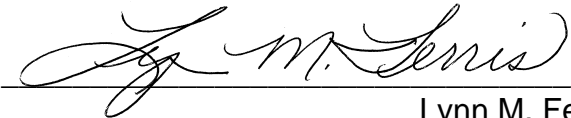
Only 80% of earned income is counted in determining FAP benefits. BEM 550. \$141.00 is deducted from the gross income of FAP recipients in determining FAP grants. RFT 255. Deductions for excess shelter are also made. BEM 554. Medical expenses over \$35.00 are also taken into consideration for groups with one or more SDV (Senior, Disabled or Veteran). BEM 554, P. 1.

In the present case, according to the aforementioned policy on budgeting for FAP benefits, Claimant had a gross monthly unearned income from unemployment benefits of \$1556.00 and an adjusted gross income of \$1415. The adjusted gross income figure was obtained by subtracting the standard deduction of \$141.00 from the gross unearned income. The Excess shelter amount was correctly determined as the Department gave the Claimant credit for rent of \$850 and a standard utility expense of \$588 for a total of \$1438 and then deducted on half of the adjusted gross income or \$707 to get excess shelter amount of \$458. \$458 is the maximum amount allowed for excess shelter deduction as the department policy sets a maximum limit. The excess shelter amount of \$458.00 was subtracted from the adjusted gross income of \$1415.00 to get the net income amount of \$957. The amount of food assistance allotment is established by RFT 260. A household of one person with a net monthly income of \$957.00 as of 3/1/11 was entitled to a monthly FAP grant of \$79.00. RFT 260.

Based upon the foregoing review, it is found that the Department correctly calculated the Claimant's FAP benefits and its determination in that regard is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the findings of fact and conclusions of law, finds that the Department correctly calculated the Claimant's FAP benefits and its determination that the Claimant is entitled to \$79 per month in FAP benefits is correct and is AFFIRMED.



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 05/16/11

Date Mailed: 05/18/11

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.

LMF/dj

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