

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

IN THE MATTER OF:

[REDACTED]

Reg No: 2011-26195
Issue No: 3003
Case No: [REDACTED]
Hearing Date:
April 25, 2011
Wayne County DHS (57)

ADMINISTRATIVE LAW JUDGE: [REDACTED]

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], FIM and [REDACTED], ES appeared on behalf of the Department.

ISSUE

Whether the Department properly calculated Claimant's Food Assistance Program ("FAP") benefits effective 4/1/11.

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 application, the Claimant was receiving unemployment benefits which ended sometime in January causing the Claimant's FAP benefits to increase to [REDACTED]. Exhibit
3. The Claimant's countable unearned income from unemployment benefits is [REDACTED] gross biweekly, [REDACTED] per month. Exhibits 3, 4 and 5.

4. The Claimant currently receives [REDACTED] per month in food assistance. The Claimant pays [REDACTED] per month for his rent, and the Department also granted a [REDACTED] heat and utility credit. The Department calculated the excess shelter deduction to be [REDACTED]. Exhibit 8
5. The Department calculated the Claimant's FAP benefits as follows. The Department utilized the claimant's biweekly unemployment income of [REDACTED] and multiplied it by 2.15 as required by policy and determined the countable unearned income to be [REDACTED]. Exhibit 10
6. The Department also credited the Claimant with a standard deduction of [REDACTED], which is the deduction for one person. The Claimant is a FAP group of one member and is not disabled. Exhibit 10
7. The Claimant was credited for child support expenses paid in the amount of [REDACTED] per month in the FAP budget calculation prepared by the Department. Exhibits 10 and 11.
8. The Department calculated the Claimant's FAP benefits to be [REDACTED] per month beginning April 1, 2011. Exhibit 10
9. The Claimant requested a hearing on November 12, 2010, seeking a hearing regarding the denial of his application for medical assistance and the amount of his food assistance.

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:

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 [REDACTED] 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 [REDACTED]. BEM 505, P. 6 and 7. Although the Claimant claimed to have received less, due to child support payments automatically deducted from the unemployment check, the Department correctly included the gross amount of unemployment benefits received.

Only 80% of earned income is counted in determining FAP benefits. BEM 550. [REDACTED] 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 [REDACTED] 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 net monthly unearned income from his unemployment benefits of [REDACTED] and an adjusted gross income of [REDACTED]. The adjusted gross income figure was obtained by subtracting the standard deduction of [REDACTED] and the average monthly child support of [REDACTED] from the gross unearned income.

The Excess shelter amount was correctly determined as the Department gave the Claimant credit for rent of [REDACTED] and a standard utility expense of [REDACTED] for a total of

\$788 and then deducted on half of the adjusted gross income or [REDACTED] to get excess shelter amount. The excess shelter amount of [REDACTED] was subtracted from the adjusted gross income of [REDACTED] to get the net income amount of [REDACTED]. The amount of food assistance allotment is established by RFT 260. A household of one person with a net monthly income of [REDACTED] as of 4/1/11 was entitled to a monthly FAP grant of [REDACTED] per month. 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 [REDACTED] per month in FAP benefits is correct and is AFFIRMED.

[REDACTED]

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

cc:

