

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

IN THE MATTER OF:

[REDACTED]

Reg No: 2011-26631
Issue No: 3002
Case No: [REDACTED]
Hearing Date:
April 27, 2011
Oakland County DHS (02)

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 27, 2011. The Claimant appeared and testified. [REDACTED], and [REDACTED], appeared on behalf of the Department.

ISSUE

Whether the Department properly calculated Claimant's Food Assistance Program ("FAP") benefits effective 4/1/10.

FINDINGS OF FACT

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

1. The Claimant and her spouse are ongoing FAP recipients and currently receive a FAP benefit monthly allotment of \$226. Exhibit 5
2. The Claimant's group consists of 2 members and is a SDV group.

3. The claimant's rent is \$287 per month and the budget prepared by the Department included a Heat and Utility Standard expense of \$588. Exhibit 3
4. The previous budget prepared by the Department was based on SSI from the Claimant only and did not include the SSI income of her spouse who she lives with. Exhibit 6
5. Both the Claimant and her spouse each receive \$505.50 per month in SSI benefits. The Claimant confirmed that the monthly income was correct. Exhibits 2 and 7.
6. The Department determined the gross unearned income for the FAP group to be \$1038. This amount was determined by adding the two SSI income amounts together and a \$14 quarterly payment received by the Claimant's spouse. Exhibit 1 and 5.
7. The previous budget prepared by the Department included only one of the household's incomes and did not include the Claimant's spouse's income. Exhibit 6
8. The Claimant requested a hearing on March 14, 2011, protesting the reduction of her Food Assistance Benefits.

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 RSDI and SSI benefits which are unearned income. The Department must include all income earned and unearned income in the FAP budget. BEM 500, 550.

Only 80% of earned income is counted in determining FAP benefits. BEM 550. A standard deduction of \$141 for a group of two persons is deducted from the gross unearned 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 income of \$1038, which was calculated by the Department based upon the SOLQ reports and confirmed at the hearing by the Claimant who testified that she and her husband both receive \$505.50 per month in SSI. The Adjusted gross income was determined to be \$897 which is correct. The department deducted the standard deduction from the gross income to determine the adjusted gross income. ($\$1038 - \$141 = \$897$). Exhibit 7. The excess shelter amount of \$427.00 was based upon the claimant's rent of \$287 per month and a standard utility expense included in all FAP budgets was included Exhibit 3. The excess shelter amount was subtracted from the adjusted gross income of \$897 to get the net income amount of \$470. The amount of food assistance allotment is established by RFT 260.

A household of two persons with a net monthly income of \$470 as of 4/1/11 is entitled to a monthly FAP grant of \$226.00 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 \$226 per month in FAP benefits, beginning April 1, 2011, 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

cc:

