

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

IN THE MATTER OF:

[REDACTED]

Reg No: 2011 28232
Issue No: 1017
Case No: [REDACTED]
Hearing Date:
May 26, 2011
Wayne County DHS (18)

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 a hearing. After due notice, a telephone hearing was conducted on May 26, 2011. The Claimant appeared and testified. Nati Campos, FIM and Gina Relias Davis FIS Case Manager appeared on behalf of the Department.

ISSUE

Whether the Department properly decreased the Claimant's FIP cash assistance benefits when she began receiving RSDI income from Social Security rather than SSI income.

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 is a FIP cash assistance recipient and currently receives FIP in the amount of \$15 per month.

2. The Claimant receives RSDI income from Social Security in the amount of \$679. The Claimant confirmed this income. Exhibit 2
3. The Claimant began receiving RSDI in December 2010 and her FIP budget was recalculated to include this income and include the Claimant as a member of the FIP group. Exhibit 1 and 3.
4. The Claimant's FIP cash assistance benefits were decreased, effective January 1, 2011, and she currently receives \$15 per month.
5. The Payment Standard for a group of 5 is \$694. RFT 210
6. The Department properly determined that the Claimant had RSDI income of \$679 when computing the Claimant's FIP cash budget to determine her continued eligibility. Exhibits 1 and 2.
7. The Claimant requested a hearing on March 28, 2011, protesting the decrease of her FIP cash assistance.

CONCLUSIONS OF LAW

The Family Independence Program ("FIP") was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services administers the FIP program pursuant to MCL 400.10, *et seq* and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children ("ADC") program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Program Reference Manual ("PRM").

The eligible group must be in financial need to receive benefits. Need is determined to exist when budgetable income is less than the payment standard

established by the department. Program, living arrangement, grantee status and eligible group size are variables that affect the payment standard. BEM 515, p. 1. Specifically, financial need exists when the eligible group passes both the "Deficit Test" and the "Child Support Income Test." To perform the deficit test, subtract the program group's budgetable income from the eligible group's payment standard (BEM 515) for the benefit month. To meet the child support income test, the FIP group's countable income plus the amount of certified support (or amount of support to be certified) must be less than the eligible group's payment standard. BEM 518. In this instance no child support was included in the calculation of budgetable income.

In this case, the Claimant's FIP cash benefits were decreased due to a change by Social Security in the designated type of income she receives. The Claimant's grant received from Social Security switched from SSI income to RSDI income. The Department policy requires that SSI income be excluded as income when calculating FIP benefits. BEM 503, page 33. Policy also requires that RSDI income be included as income when calculating FIP benefits. BEM 503, page 20. Based upon policy requirements the Department properly included the Claimant's RSDI income when computing her FIP benefits.

The payment standard for a group of five, such as the instant case, is \$694.00. RFT 210. Claimant's household RSDI income used in the 1/1/11 budget was \$679.00. The Claimant's RSDI income must be included and therefore the FIP grant was determined by subtracting the Claimant's budgeted income from the payment standard to determine the \$15 benefit amount. ($\$694 - \$679 = \15). The Budget as calculated by

the Department is correct. Exhibit 1. The Department's decision decreasing the Claimant's FIP benefits is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department properly computed the Claimant's FIP budget, and that the benefit amount as computed is correct. Accordingly, the Department's Notice of Case action of January 1, 2011, finding the Claimant's FIP benefit reduced to \$15, is correct and is AFFIRMED.



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

Date Signed: 05/31/11

Date Mailed: 06/02/11

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 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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:

