

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2011-30528

Issue No: 3002

[REDACTED]

Muskegon County DHS

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

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 April 5, 2011. After due notice, a telephone hearing was held on May 25, 2011. Claimant's son, [REDACTED] 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. A telephone interview was conducted on March 29, 2011 through Claimant's son, who informed the department that Claimant does not pay rent and she does not share meals with other members of the household. (Hearing Summary; Department Exhibits 1-5).
3. Based on the removal of a shelter expense from Claimant's FAP budget, a new FAP budget was computed and Claimant's FAP benefits decreased from [REDACTED] a month to [REDACTED] a month. (Department Exhibits 17-19, 20-22).

4. On March 30, 2011, the department mailed Claimant a Notice of Case Action informing her of the decrease in FAP benefits because the rent expense of [REDACTED] was removed from her budget. (Department Exhibits 6-8).
5. Claimant submitted a hearing request on April 5, 2011, 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.

In this case, Claimant was receiving monthly unearned income in the amount of \$688.00 at the time relevant to this matter. A standard deduction of [REDACTED] was subtracted from Claimant's countable income leaving an adjusted gross income 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 admittedly does not pay rent so her total shelter expense was the [REDACTED] standard heat and utility deduction. Half of Claimant's adjusted gross income of [REDACTED]. This is subtracted from Claimant's housing and utilities for an excess shelter deduction of [REDACTED]). Since Claimant meets the senior/disabled/veteran criteria, the department would be 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. Based on the evidence and testimony available during the hearing, the department properly established Claimant is receiving the proper amount of FAP benefits.

### 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.

\_\_\_\_\_/s/\_\_\_\_\_  
Vicki L. Armstrong  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 5/26/11

Date Mailed: 5/26/11

**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.

VLA/ds

■ [REDACTED]