

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

IN THE MATTER OF:

[REDACTED]
[REDACTED]
[REDACTED]

Reg. No: 201141570
Issue No: 3002, 6019
Case No: [REDACTED]
Hearing Date:
August 2, 2011
Ingham County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on July 7, 2011. After due notice, a telephone hearing was held on Tuesday, August 2, 2011.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) and Child Development and Care (CDC) eligibility?

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 an ongoing Food Assistance Program (FAP) and Child Development and Care (CDC) recipient.
2. On June 14, 2011, the Department sent the Claimant a Redetermination form with a due date of July 1, 2011.
3. The Claimant receives monthly earned income in the gross monthly amount of \$1,628.
4. The Claimant receives monthly child support in the gross monthly amount of \$794.
5. On June 30, 2011, the Department notified the Claimant that her Child Development and Care (CDC) benefits would be terminated as of July 17, 2011, due to excess income.

6. On June 30, 2011, the Department notified the Claimant that her monthly Food Assistance Program (FAP) allotment would be reduced to \$32 as of August 1, 2011.
7. The Department received the Claimant's request for a hearing on July 7, 2011, protesting the closure of her Child Development and Care (CDC) benefits and the reduction of her Food Assistance Program (FAP) benefits.

CONCLUSIONS OF LAW

The Child Development and Care program is established by Titles IVA, IVE, and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department of Human Services (DHS or Department) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties 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 (AMA), 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.

The Claimant is an ongoing Food Assistance Program (FAP) recipient and she was an ongoing Child Development and Care (CDC) recipient until July 17, 2011. On June 14, 2011, the Department sent the Claimant a Redetermination form with a due date of July 1, 2011. The Claimant returned her Redetermination form, and based on the information submitted by the Claimant, her eligibility to receive benefits was reviewed.

The Claimant receives monthly earned income in the gross monthly amount of \$1,628. This was determined by multiplying the average of her bi-weekly paychecks (\$757.35 on June 3, 2011, \$757.35 on June 17, 2011) by the 2.15 monthly conversion factor.

The Claimant receives monthly child support in the gross monthly amount of \$794.13. This was determined by taking the average of actual child support payments received over a three month period as directed by Bridges Eligibility Manual Item 505. The Claimant received payments for her two children of \$610.10 and \$610.07 in March of 2011, \$200.52 and \$200.51 in April of 2011, and \$380.60 and \$381.20 in May of 2011.

The Claimant's total countable income of \$2,280.13 is the sum of her gross monthly child support and her gross monthly earned income. The income limit for a group of three to receive Child Development and Care (CDC) benefits is \$1,990. Therefore the Department closed the Claimant's Child Development and Care (CDC) benefits case due to excess income.

Based on the evidence and testimony available during the hearing, the Department has established that the Department properly closed the Claimant's Child Development and Care (CDC) benefits due to excess income.

The Food Assistance Program (FAP) (formerly known as the Food Stamp 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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

The Claimant receives a total countable income of \$2,280. The Claimant's earned income was reduced by a 20% earned income credit, and the standard \$141 deduction, which left her with an adjusted gross income of \$1,995. The Claimant's excess shelter deduction of \$310 was determined by adding her \$700 monthly shelter expense to the \$588 standard heat and utility deduction under the Low Income Home Energy Assistance Program (LIHEAP) and subtracting 50% of her adjusted gross income.

The Claimant's net income of \$1,645 was determined by subtracting her excess shelter deduction from her adjusted gross income. A claimant with a group size of three and a net income of \$1,645 is entitled to a FAP allotment of \$32, which is the amount of FAP benefits granted to the Claimant for this period. RFT 260. I find that the Department has established that it acted in accordance with policy determining Claimant's FAP allotment.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's Child Development and Care (CDC) and Food Assistance Program (FAP) eligibility.

The Department's Child Development and Care (CDC) and Food Assistance Program (FAP) eligibility determination is AFFIRMED. It is SO ORDERED.



Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: August 3, 2011

Date Mailed: August 4, 2011

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.

KS/tg

cc:

