

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201225149
Issue No: 3002
Case No: [REDACTED]
Hearing Date: February 28, 2012
Macomb 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 January 6, 2012. After due notice, a telephone hearing was held on February 28, 2012.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) 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 was an ongoing Food Assistance Program (FAP) recipient.
2. On December 2, 2011, the Department sent the Claimant a new hire client notice requesting verification of employment for group member F.M.A.
3. On December 9, 2011, the Department sent the Claimant Verification of Employment forms requesting verification of employment for group member F.M.A. and group member N.C.A., with due dates of December 19, 2011.
4. The Department received the Claimant's employment verification documents on December 20, 2011.
5. On December 22, 2011, the Department determined that the Claimant was not eligible for the Food Assistance Program (FAP) due to excess income.

6. The Claimant's benefit group receives monthly earned income in the gross monthly amount of [REDACTED].
7. The Claimant's benefit group receives monthly unearned income in the gross monthly amount of [REDACTED].
8. On December 22, 2011, the Department notified the Claimant that it would close her Food Assistance Program (FAP) benefits due to excess income.
9. The Department received the Claimant's request for a hearing on January 6, 2012, protesting the closure of her Food Assistance Program (FAP) benefits.

CONCLUSIONS OF LAW

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).

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.

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. BAM 105. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

In this case, the Claimant was an ongoing Food Assistance Program (FAP) recipient as a group of four. The Department received information that two adult members of the Claimant's Food Assistance Program (FAP) group had started new employment. On December 2, 2011, the Department sent the Claimant a new hire client notice requesting verification of employment for group member [REDACTED]. On December 9, 2011, the Department sent the Claimant Verification of Employment forms requesting verification of employment for group member [REDACTED], and group member [REDACTED], with due dates of December 19, 2011. The Department received the Claimant's employment verification documents on December 20, 2011.

The members of the Claimant's benefit group receive monthly [REDACTED] in the gross monthly amount of [REDACTED], and [REDACTED] in the gross monthly amount of [REDACTED]. The Claimant's total countable income of [REDACTED] was determined by reducing the earned income by a 20% earned income credit and adding the unearned income. The Claimant's adjusted gross income of [REDACTED] was determined by subtracting a standard [REDACTED] deduction from her total countable income. The gross income limit for a group of four is [REDACTED]. On December 22, 2011, the Department notified the Claimant that it would close her Food Assistance Program (FAP) benefits due to excess income.

The Claimant argued that members of her benefits group do not receive the income used to determine her benefits eligibility.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount within 10 days of receiving the first payment reflecting the change. BAM 105. Income reporting requirements are limited to the following:

- Earned income:
- - Starting or stopping employment.
 - Changing employers.
 - Change in rate of pay.
 - Change in work hours of more than five hours per week that is expected to continue for more than one month. BAM 105.

In this case, the Department requested that the Claimant provide verification of employment of members of her group. The Department had no reason to know that the new employment reported by the Claimant was not in addition to employment previously reported by the Claimant. If the Claimant had reported the changes of her circumstances in a timely manner as required by policy, it is possible that the Claimant would have remained eligible to receive benefits.

However, this Administrative Law Judge finds that the Department properly applied the best information available at the time in accordance with BAM 130 when it determined the Claimant was not eligible to receive Food Assistance Program (FAP) benefits.

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 Food Assistance Program (FAP) eligibility.

The Department's Food Assistance Program (FAP) eligibility determination is **AFFIRMED**. It is SO ORDERED.

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

Date Signed: March 6, 2012

Date Mailed: March 6, 2012

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/tb

cc:

