

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201238078
Issue No.: 3008, 4013
Case No.: [REDACTED]
Hearing Date: April 5, 2012
County: Kent County DHS

ADMINISTRATIVE LAW JUDGE: Corey A. Arendt

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on April 5, 2012, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly deny Claimant's application close Claimant's case for:

- | | |
|--|--|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input checked="" type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> Child Development and Care (CDC)? |

FINDINGS OF FACT

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

1. Claimant applied for benefits received benefits for:

- | | |
|--|--|
| <input type="checkbox"/> Family Independence Program (FIP). | <input type="checkbox"/> Adult Medical Assistance (AMP). |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP). | <input checked="" type="checkbox"/> State Disability Assistance (SDA). |
| <input type="checkbox"/> Medical Assistance (MA). | <input type="checkbox"/> Child Development and Care (CDC). |

2. On or around February 2, 2012, the Claimant told the Department he received [REDACTED] a month from his mother to care for his father.
3. On or around February 13, 2012, the Department used the [REDACTED] from the Claimant's mother and allocated it as unearned income when determining the Claimant's ongoing SDA benefit amount.
4. On February 13, 2012, the Department determined the Claimant had access income for the SDA program. On February 13, 2012, the Department sent the Claimant notice of the SDA closure.
5. On February 13, 2012, the Department sent the Claimant a verification checklist (DHS 3503). The Department requested the Claimant to submit verification of donations or contributions from an individual outside the Group. The Department requested the verifications to be returned by February 23, 2012.
6. On February 27, 2012, the Department sent the Claimant notice of the FAP closure.
7. On March 1, 2012, the Department closed the Claimant's FAP and SDA benefits.
8. On February 24, 2012, Claimant filed a hearing request, protesting the closure of his FAP and SDA cases.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The 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 (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1999 AC, R 400.3001 through Rule 400.3015.

The SDA program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 AACS, R 400.3151 through Rule 400.3180.

Income means a benefit or payment received by an individual which is measured in money. It includes money an individual owns even if **not** paid directly such as income paid to a representative. (BEM 500).

Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. (BEM 500).

Based on the testimony and the exhibits presented, I find the income received from the Claimant's mother was in fact earned income and should have been budgeted as earned income rather than unearned income. Based on this conclusion, I find the Department improperly budgeted the Claimant's SDA benefits beginning March 1, 2012.

In addition, because the Department incorrectly categorized the Claimant's income, they subsequently sent out the wrong verification form. Because they sent out the wrong verification form, I can find no fault from the Claimant for not turning in documentation he did not have. As a result, I also find the Department improperly closed the Claimant's FAP benefits.

Therefore, I am **reversing** the Department in this matter.

DECISION AND ORDER

I find, based upon the above Findings of Fact and Conclusions of Law, the Department did not act properly in closing the Claimant's FAP and SDA benefits.

Accordingly, the Department's FAP and SDA decisions are **REVERSED**.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate a redetermination as to the Claimant's eligibility for FAP and SDA benefits beginning March 1, 2012 and issue retroactive benefits if otherwise qualified and eligible.

/s/ _____
Corey A. Arendt
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: April 6, 2012

Date Mailed: April 6, 2012

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases)

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
- misapplication of manual policy or law in the hearing decision,
- typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
- the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

CAA/cr

cc:

