

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

IN THE MATTER OF:



Reg. No.: 201244942
Issue No.: 3003
Case No.: [REDACTED]
Hearing Date: May 7, 2012
County: Wayne DHS (57)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 May 7, 2012 from Detroit, Michigan. Participants on behalf of Claimant included the above named claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Manager.

ISSUE

The issue is whether DHS properly determined Claimant's Food Assistance Program (FAP) benefit eligibility effective 4/2012.

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 was an ongoing FAP benefit recipient.
2. Claimant's FAP benefit eligibility was due for redetermination beginning 4/2012.
3. Claimant received \$628/month in gross Supplemental Security Income (SSI).
4. Claimant paid \$500/month in rent.
5. On 3/12/12, Claimant reported a change in rent to \$550.
6. On an unspecified date, DHS requested verification of Claimant's updated rent.

7. Claimant failed to verify the change in rental obligation to DHS.
8. On 3/26/12, DHS determined Claimant's FAP benefit eligibility effective 4/2012, in part, by budgeting \$698/month in gross SSI benefits and \$0/month for a rent obligation.
9. On 4/3/12, Claimant requested a hearing to dispute the FAP benefit redetermination.

CONCLUSIONS OF LAW

The Food Assistance Program (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). DHS administers the FAP pursuant to Michigan Compiled Laws 400.10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

In the present case, DHS redetermined Claimant's FAP benefit eligibility effective 4/2012. During the hearing, the FAP budget factors were discussed. Two issues were disputed, Claimant's income and rent obligation.

It is known that DHS budgeted \$911 in unearned income for Claimant. DHS provided evidence that Claimant received \$628/month in federal SSI, \$199.42 in child support and an average of \$14/month in SSI issued by the State of Michigan. Claimant agreed with the DHS provided income figures. Based on the evidence, Claimant's total income is found to be \$841/month for 4/2012

DHS is to budget the gross amount of federal and state SSI benefits. BEM 503 at 23. DHS conceded that Claimant received \$628/month in gross SSI. Presumably, DHS budgeted \$698 in SSI for Claimant. \$698 is known to be the standard monthly SSI issuance when there are no deductions. The \$698 figure would also explain how DHS totaled Claimant's income as \$911 in the presented FAP budget. It is found that DHS erred in determining Claimant's 4/2012 FAP benefit eligibility by budgeting the improper SSI amount.

Regarding the rent issue, Claimant stated that she reported to DHS a rent increase from \$500 to \$550 on 3/12/12. Claimant also conceded that DHS requested verification of the rent change and that Claimant has yet to verify the rent amount.

DHS is to verify shelter expenses at application and when a change is reported. BEM 554 at 11. The proper DHS response to a client that fails to verify a change in rent is to remove the credit from the FAP determination. It is found that DHS properly did not credit Claimant with a rental obligation for 4/2012 due to Claimant's failure to verify the rent obligation.


DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly budgeted \$0 as Claimant's rent obligation for Claimant's 4/2012 FAP benefit eligibility. The actions taken by DHS are PARTIALLY AFFIRMED.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly calculated Claimant's income for purposes of 4/2012 FAP benefit eligibility. It is ordered that DHS:

- (1) budget \$628/month in gross SSI effective 4/2012 and ongoing months for purposes of FAP benefit eligibility; and
- (2) supplement Claimant for any FAP benefits not received as a result of the DHS error.

The actions taken by DHS are PARTIALLY REVERSED.


Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 14, 2012

Date Mailed: May 14, 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

201244942/ CG

P. O. Box 30639
Lansing, Michigan 48909-07322

CG/hw

cc:

