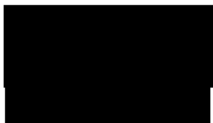


STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No: 201249031
Issue No: 3002
Case No: [REDACTED]
Hearing Date: May 30, 2012
Oscoda County DHS

ADMINISTRATIVE LAW JUDGE: Christopher S. Saunders

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on May 30, 2012. The claimant personally appeared and provided testimony.

ISSUE

Whether the department properly determined the claimant's benefit amount for the Food Assistance Program (FAP)?

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 a recipient of FAP benefits at all times pertinent to this hearing.
2. The claimant's FAP benefits were initially reduced due to self employment income being added to the claimant's budget. (Department Exhibit 1).
3. The self employment income was subsequently removed and a new budget was calculated excluding the self employment income. (Department Exhibit 1).
4. The claimant was sent a notice of case action (DHS 1605) on April 11, 2012 stating that his FAP benefits had increased effective January 1, 2012 due to the self-employment income being removed from his budget. (Department Exhibit 6).
5. On April 23, 2012, the claimant filed a hearing request protesting the amount of his FAP benefits allotment.

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 of that decision. 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 Bridges 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.

In the case at hand, the department determined that the claimant was receiving \$698.00 per month in SSI income as well as \$14.00 per month in State Supplemental Payments, for a total unearned income of \$712.00 per month. These amounts were not contested at the hearing. The claimant was then given a standard deduction of \$146.00 for an adjusted gross income of \$566.00. Additionally, the department used a housing expense of \$20.97 per month and assigned a heat and utility standard of \$553.00 per month to the claimant for a total monthly shelter expense of \$574.00. Fifty percent of the claimant's adjusted gross income (\$283.00) was subtracted from the total shelter amount which resulted in an excess shelter deduction of \$291.00. That amount was

deducted from the claimant's adjusted gross income for a net income of \$275.00. The amounts used by the department were not contested at the hearing, and the calculations to reach the net income amount are correct.

A claimant with a group size of 1 who has a monthly net income of \$275.00 is entitled to \$117.00 per month in FAP benefits. RFT 260. The Administrative Law Judge therefore concludes that the department properly calculated the claimant's FAP benefit amount.

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 Claimant's FAP benefit amount.

Accordingly, the department's actions are **AFFIRMED**. It is SO ORDERED.

/s/

Christopher S. Saunders
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: June 4, 2012

Date Mailed: June 4, 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.

CSS/cr

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