

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-74993
Issue No.: 3002
Case No.: [REDACTED]
Hearing Date: October 29, 2012
County: Oakland (03)

ADMINISTRATIVE LAW JUDGE: Jan Leventer

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 October 29, 2012, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant and his son, [REDACTED], who also acted as interpreter. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Eligibility Specialist and [REDACTED], Assistance Payments Supervisor.

ISSUE

Due to excess income, did the Department properly deny the Claimant's application close Claimant's case reduce Claimant's 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 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 for: 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 type="checkbox"/> State Disability Assistance (SDA). |
| <input type="checkbox"/> Medical Assistance (MA). | <input type="checkbox"/> Child Development and Care (CDC). |

2. On July 1, 2012, the Department denied Claimant's application closed Claimant's case reduced Claimant's benefits due to excess income.
3. On August 17, 2012, the Department sent Claimant Claimant's Authorized Representative (AR) notice of the denial. closure. reduction.
4. On August 30, 2012, Claimant or Claimant's AHR filed a hearing request, protesting the denial of the application. closure of the case. reduction of benefits.

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

Additionally, the following findings of fact and conclusions of law are made in this case. Since about January 1, 2012, Claimant's [REDACTED] [REDACTED] paid Claimant's mortgage on his behalf. On May 1, 2012, Claimant was approved for federal Supplemental Security Income (SSI) benefits of \$1,230 per month. On or about July 1, 2012, Claimant began making mortgage payments himself.

On or before August 17, 2012, the Department received shared data from the U.S. Social Security Administration, informing the Department of Claimant's \$1,230 SSI benefits. Also on or before August 17, 2012, the Claimant advised the Department he was now making his own house payments. On August 17, 2012, using the two new items of information, the Department reduced Claimant's FAP benefit from \$369 to \$167, retroactive to July 1, 2012.

Bridges Eligibility Manual (BEM) 550, "FAP Income Budgeting," requires the Department to base FAP benefit levels on the customer's income. Deductions for housing and excess shelter expenses are subtracted from gross income to arrive at a countable net income which is used to set the FAP benefit level. Department of Human Services Bridges Eligibility Manual (BEM) 505 (2010), 550 (2012), 556 (2011).

In this case the Department used the Claimant's income of \$1,230, the standard deduction of \$146, and an excess shelter deduction of \$459, arriving at a countable net income of \$625. Dept. Exh. 1, pp.9-10. Reference Table 260, "Food Assistance

Issuance Tables," is a thirty-six-page chart listing the benefit levels for \$0-\$4,003 income families, and for family groups of one to eight persons. The benefit level for a family of two persons with a net income of \$625 is listed on page 6, and the amount is \$179. Department of Human Services Reference Tables (RFT) 260 (2011), p. 6.

Based on the applicable law, the documents and the testimony in this case considered as a whole, it is found and determined that the Department acted correctly in reducing Claimant's FAP benefits to \$179. The Department shall be affirmed.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that, due to excess income, the Department properly improperly

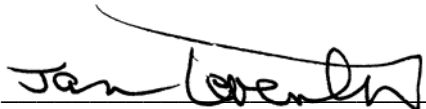
- denied Claimant's application
- reduced Claimant's benefits
- closed Claimant's case

for: AMP FIP FAP MA SDA CDC.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department did act properly did not act properly.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is **AFFIRMED** REVERSED for the reasons stated on the record.


Jan Leventer
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: October 30, 2012

Date Mailed: October 31, 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

JL/tm

cc:

