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

IN THE MATTER OF:



 Reg. No.:
 2013-34995

 Issue No.:
 3015

 Case No.:
 Hearing Date:

 Hearing Date:
 April 11, 2013

 County:
 Oakland (04)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claim telephone hearing was conducted The Claimant appeared and testifi Human Services (Department) was Potential.

ISSUE

Due to exc ess income, did the Department pr operly close Claimant's Food Assistance Program (FAP) case?

FINDINGS OF FACT

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

- 1. Claimant was an ongoing recipient of FAP benefits.
- 2. On February 27, 2013, t he Department sent Claimant a Notic e of Case Action informing her that effective March 1, 2013, her FAP case would close due to excess income. (Exhibit 2)
- 3. On March 7, 2013, Claim ant filed a hear ing request disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Service s 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 amend ed, and is implemented by the federal regulations contained in Title 7 of the Code of Feder al Regulations (CFR). The Department (formerly known as the Fam ily Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code Ru le 400.3001 through Rule 400.3015.

In this cas e, Claimant was receiving F AP benefits based on a group si ze of three. In February 2013, a group member moved from the home and Claimant's group size for FAP purposes was reduced to two. Claim ant's FAP budget for March 1, 2013 was recalculated and the Department determined that Claimant was not eligible to receive FAP benefits becaus e her net income was \$1,351.00, exceeding the limit. For FAP purposes, the applicable F AP net income lim it for Claimant's group size of two is \$1,261.00. RFT 250 (October 2012), p. 1. On February 27, 2012, the Department sent Claimant a Notice of Case Action informing her that effective March 1, 2013, her FAP case would close due to excess income. (Exhibit 2).

om the FAP EDG Net Income Results was reviewed. At the hearing, the budget fr (Exhibit 1). The Department conclude d that Claimant had unearned income of \$2,557.00 which came from two sources: \$1,461.80 in Retirement, Survivors, Disab ility Insurance (RSDI) benefits for Claimant an d \$1096.30 in RSDI benefits for Claimant's dependant. (Exhibit A). Money earned from RSDI is included in the calculation of unearned income for purposes of FAP budget ing. BEM 503 (November 2012), p.21. Claimant confirmed that her FAP group size was two. The Department properly applied the \$148.00 standard deduction applicable to Claimant's group size. RFT 255 (October 2012), p 1. Because Claimant is a Senior/Disabled/Veteran (SDV) member of her FAP group, she is eligible for a deduction for verified medical expenses she incurred in excess of \$35.00. BEM 554 (O ctober 2012), p 1. Claimant's March 2013 FAP budget showed a medical expense deduction of \$70.00. The Department consider ed Claimant's Part B Medicare premium of \$104.90 as an ongo ing medical expense. This amount, less the \$35 offset, results in t he \$70 medic al deduction used in t he March 2013 budget. (Exhibit 1; Exhibit 3).

According to the exc ess sh elter deduction presented, the Department applied the \$575.00 standard heat and utility deduct ion available to all FAP recipients and determined that Claimant's ho using expenses were \$1,5 81.59. (Exhibit 4);BEM 554 (October 2012), pp. 11-12. Claimant did not provide any evidence disputing the amount used by the Depart ment for housing costs. Upon further review, the Department properly c alculated Claimant's net income to be \$1,351.00, which exceeds t he applicable FAP net income limit of \$1,261.00 fo r a group s ize of two. RFT 250, p. 1.

Therefore, the Department ac ted in accordance with Depar tment policy when it closed Claimant's FAP case due to excess income.

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 re cord, finds that the Department acted in accordance with Department policy when it closed Claimant's FAP case due to exces s income. Accordingly, the Department's decision is AFFIRMED.

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

Date Signed: April 18, 2013

Date Mailed: April 18, 2013

NOTICE: Michigan Administrative Hearing S ystem (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a par ty within 30 days of the mailing date of this Dec ision and Order . MAHS will not or der a rehearing or reconsideration on the Department's mo tion where the final decis ion 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 <u>MAY</u> 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, math ematical error, or other obvious errors in the hearing decision that affect the substantial rights of the claimant:
 - 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

Re consideration/Rehearing Request P. O. Box 30639 Lansing, Michigan 48909-07322

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