

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 2013-17863  
Issue No: 3015  
Case No: [REDACTED]  
Hearing Date: February 5, 2013  
Kent County DHS

**ADMINISTRATIVE LAW JUDGE:** Landis Y. Lain

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, in-person hearing was held on February 5, 2013. Claimant appeared and testified.

**ISSUE**

Did the Department of Human Services (the department) properly reduce claimant's Food Assistance Program (FAP) case?

**FINDINGS OF FACT**

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

- (1) Claimant was a FAP benefit recipient.
- (2) On December 8, 2012 claimant's unearned income was updated because claimant's RSDI increased January 1, 2013.
- (3) On December 8, 2012, the department caseworker sent claimant notice that his FAP benefits would be reduced from \$ [REDACTED] to \$ [REDACTED] per month based upon his increase in RSDI benefits and because the medical expense was removed from the new FAP budget because the State of Michigan began paying claimant's Medicare Part B premium since October 2011.
- (4) On December 17, 2012, claimant filed a request for a hearing to contest the department's negative action.

## 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 or her claim for assistance has been 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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Categorically eligible groups automatically meet asset, gross and 100% net income limits for Food Assistance Program benefits. Categorical eligibility applies to groups, not individuals. Group composition must be determined prior to determining categorical eligibility. FAP groups are categorically eligible based on enhanced authorization for domestic violence prevention services. All other applicants/recipients are authorized for this service. Only households with gross income addable at 200% of the poverty level receive additional authorization. PEM, Item 213. In the instant case, claimant is categorically eligible for Food Assistance Program benefits based upon his receipt of RSDI income. PEM, Item 213. PEM, Item 550, p. 1., indicates that the department is to only use available countable income to determine eligibility. PEM, Item 500, defines countable income. PEM, Item 505, defines available income and income change processing. PEM, Item 550, describes income budgeting policy (PEM, Item 550, p. 1). The department is required to budget the entire amount of earned and unearned countable income. Every case is allowed a standard deduction shown in PRT 255. The department is to always calculate income on a calendar month basis to determine eligibility and benefit months. The department is to use income from the months specified in this item for the benefit month being considered. PEM, Item 550. In the instant case, the claimant receives \$ [REDACTED] per month in RSDI income, effective January 1, 2013. Claimant received a \$ [REDACTED] standard unearned income deduction. He has no medical deductions since the State of Michigan pays his Medicare Premium. His adjusted gross monthly income is \$ [REDACTED] claimant was given an excess shelter deduction of \$ [REDACTED] \$ [REDACTED] in income - \$ [REDACTED] in excess shelter income = \$ [REDACTED] in net monthly income. The program reference tables indicate that a one person FAP group with a net monthly income of \$ [REDACTED] is entitled to \$ [REDACTED] per month in FAP benefits. The department correctly determined that claimant's FAP benefits should be reduced under the circumstances.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department has established by the necessary competent, material and substantial evidence on the record that it was acting in compliance with department policy when it determined that claimant's FAP benefits should be reduced.

Accordingly, the Department's decision **AFFIRMED**.

Landis /s/ \_\_\_\_\_  
Y. Lain  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: February 11, 2013

Date Mailed: February 11, 2013

**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 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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.

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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

LYL/las

cc:

