

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 201330221  
Issue No: 3015  
Case No: [REDACTED]  
Hearing Date: March 20, 2013  
Macomb County DHS #12

**ADMINISTRATIVE LAW JUDGE:** Suzanne D. Sonneborn

**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 received by the Department of Human Services (department) on February 13, 2013. After due notice, a telephone hearing was held on March 20, 2013. Claimant's husband, [REDACTED], appeared on Claimant's behalf and provided testimony. The department was Macomb County office.

**ISSUE**

Whether the department properly determined Claimant's Food Assistance Program (FAP) benefit eligibility?

**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 recipient of FAP benefits at all times relevant to this hearing.
2. On February 6, 2013, the department mailed Claimant a Notice of Case Action (DHS 1605), informing Claimant that she had been approved for FAP benefits in the amount of \$ [REDACTED] per month for the benefit period effective February 1, 2013. (Department Exhibits 2-8)
3. On February 9, 2013, Claimant submitted a hearing request protesting the department's determination of her FAP benefit eligibility.

## CONCLUSIONS OF LAW

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 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).

The Food Assistance Program (FAP) was established pursuant to 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 administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.30001-3015. Department policies for the program are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Bridges Reference Manual (BRM), and the Reference Tables Manual (RFT).

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.

All income is converted to a standard monthly amount. If the client is paid weekly, the department multiplies the average weekly amount by 4.3. If the client is paid every other week, the department multiplies the average bi-weekly amount by 2.15. BEM 505.

In this case, at the March 20, 2013 hearing, the department's representative testified and provided documentary evidence establishing that the department determined Claimant's eligibility for FAP benefits based on the department's verification of Claimant's monthly receipt of earned and unearned income totaling \$ [REDACTED] – an amount that Claimant did not dispute.

Claimant's total monthly income of \$ [REDACTED] was reduced by an earned income deduction of \$ [REDACTED] and a standard deduction of \$ [REDACTED] which left an adjusted gross income of \$ [REDACTED]. Claimant was not entitled to an excess shelter deduction because her group's adjusted gross income exceeded her total shelter expenses, leaving a monthly net income of \$ [REDACTED].

Claimant's excess shelter deduction of zero was determined by adding Claimant's monthly housing expense to the \$ [REDACTED] standard heat and utility amount and subtracting half of Claimant's adjusted gross income. Claimant's monthly housing expense is \$ [REDACTED] which, when added to the \$ [REDACTED] standard heat and utility amount, resulted in a total housing expense of \$ [REDACTED]. Half of Claimant's adjusted gross income (\$ [REDACTED]) was then subtracted from Claimant's housing and utilities (\$ [REDACTED]) for an adjusted excess shelter amount of zero. BEM 556.

Federal regulations at 7 CF 273.10 provide standards for income and the amount of household benefits. In accordance with the federal regulations, the department has prepared income and issuance tables which can be found at RFT 250 and RFT 260. RFT 260 provides that a household size of six with a monthly net income of \$ [REDACTED] is entitled to a monthly FAP allotment in the amount of \$ [REDACTED] RFT 260.

Accordingly, the Administrative Law Judge finds that, based on the competent, material, and substantial evidence presented during the March 20, 2013 hearing, the department acted in accordance with policy in determining Claimant's eligibility for FAP benefits for the benefit period effective February 1, 2013.

### **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 eligibility for FAP benefits for the benefit period effective February 1, 2013. Accordingly, the department's actions are **UPHELD**.

**IT IS SO ORDERED.**

/s/

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Suzanne D. Sonneborn  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: March 21, 2013

Date Mailed: March 22, 2013

**NOTICE:** Michigan Administrative Hearings 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 Order. MAHS 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 this Order to Circuit Court within 30 days of the receipt of the 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 errors, or other obvious errors in the hearing decision that affect the substantial rights of 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 System  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, MI 48909-07322

SDS/cr

cc:

