

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201334560
Issue No: 3015
Case No: [REDACTED]
Hearing Date: April 3, 2013
Bay County DHS

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 March 11, 2013. After due notice, a telephone hearing was held on April 3, 2013. Claimant appeared and provided testimony. The department was represented by [REDACTED], an assistance payments specialist with the department's Bay 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 receiving FAP benefits at all times relevant to this hearing.
2. On September 4, 2012, the department approved Claimant's monthly FAP benefits in the amount of \$ [REDACTED] which amount did not include Claimant's monthly housing expense because Claimant's shelter verification did not include Claimant's address. (Department Exhibits A, B, C)
3. On March 5, 2013, the department mailed Claimant a Notice of Case Action informing him that, effective April 1, 2013, his monthly FAP benefits would be decreased to \$ [REDACTED] per month because his net unearned income amount changed. (Department Exhibits 1, 2)

4. On March 11, 2013, Claimant submitted a hearing request, challenging the department's decision to decrease his FAP benefit amount. (Hearing Request)
5. On March 15, 2013, the department determined that Claimant's FAP benefits for the benefit period effective April 1, 2013 had been incorrectly calculated and the department approved Claimant's FAP benefits in the amount of \$ [REDACTED] for the benefit period effective April 1, 2013.
6. On March 15, 2013, the department submitted a remedy ticket request (#BR0007634) to correct a computer error that has thus far prevented the department's issuance of Claimant's FAP supplement for the month of April 1, 2013.

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.

In this case, following the receipt of Claimant's hearing request, the department recalculated Claimant's monthly FAP allotment for the benefit period beginning April 1, 2013 for the amount of \$ [REDACTED]. The department also approved Claimant's receipt of a supplement in the amount of \$ [REDACTED] supplementing Claimant's FAP benefit allotment for the month of April 2013. At the April 3, 2013 hearing, Claimant acknowledged that he was satisfied with the department's redetermination of his monthly FAP allotment and his entitlement to a supplement for the month of April 2013.

However, at the April 3, 2013 hearing, the department representative testified that a Bridges computer error prevented the department from issuing Claimant the supplement amount to which he was entitled. The department submitted a request on March 15, 2013 to resolve the problem (remedy ticket #BR0007634) and, to date, the computer problem remains unresolved.

Accordingly, the Administrative Law Judge finds that, based on the competent, material, and substantial evidence presented during the hearing, the department failed to properly process Claimant's FAP benefit supplement for April 2013 in the amount of \$ [REDACTED].

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department failed to properly process Claimant's FAP benefit supplement for April 2013 in the amount of \$ [REDACTED]. Accordingly, the department's actions in this regard are **REVERSED** and the department shall reprocess Claimant's FAP benefit supplement for April 2013 in accordance with the applicable department policy and the department shall take the necessary steps to ensure the computer problem is resolved.

It is **SO ORDERED**.

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

Date Signed: April 4, 2013

Date Mailed: April 5, 2013

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 60 days of the filing of the original request.

The Claimant may appeal this 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 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.

A request for a rehearing or reconsideration 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:

