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

IN THE MATTER OF:



Reg. No.: 2014 7124 Issue No.: 3000,3014

Case No.:

Hearing Date: November 21, 2013

County: Oakland (03)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on November 21, 2013, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included payments Supervisor.

ISSUE

Did the Department properly reduce the Claimant's food assistance benefits due to a reduction in the federal stimulus supplements provided to the Department?

Did the Department properly reduce the Claimant's food assistance benefits due to the Claimant's daughter's student status?

FINDINGS OF FACT

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

- 1. The Claimant was an ongoing recipient of food assistance benefits. The Claimant completed a redetermination on July 3, 2013 wherein she indicated that the Claimant's daughter was not in school due to problems with financial aid.
- 2. At the hearing the Claimant's daughter testified under oath that at the time of the redetermination in July 2013 she was no longer a student, and the last time she attended school was in April 2013 due to student aid problems.

- 3. The Department removed the Claimant's daughter from her food assistance group due to her student status and the fact that she was not working. The Department issued a notice of case action on July 26, 2013. This change was effective August 1, 2013 and reduced the Claimant's food assistance benefits. Exhibit 2
- 4. A notice of case action was also issued on October 5, 2012 which further reduced the Claimant's food assistance benefits because the federal government ended the stimulus program. This change was due to a mass update of all recipients of food assistance from the Department of Human Services.
- 5. The Claimant requested a hearing on October 14, 2013 protesting the reduction of her food assistance group size and the reduction of her food assistance benefits.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

☑ The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

In this case there were two issues presented regarding the Claimant's food assistance benefits. The first issue arose out of the reduction of Claimant's food assistance due to a mass change in law and policy due to the ending of the federal stimulus program. At the hearing evidence was introduced that the only change to the Claimant's November benefits was due to a change in the amount of the utility standard which had been reduced from \$575 to \$553.

Regulations governing the hearing and appeal process for recipients of Food Assistance Program (FAP) benefits in Michigan who, as a group, are affected by a federal or state initiated change in the law affecting all recipients are found in 7 CFR 273.12(e) and Mich Admin Code, R 400.901 through R 400.951. Rule 400.903(3), in pertinent part, states:

A hearing shall not be granted when either state or federal law requires automatic grant adjustments for classes of recipients, unless the reason for an individual appeal is incorrect grant computation. See also Bridges Administrative Manual (BAM) which articulates policies regarding the hearing process. The Michigan Administrative Hearing System will **not** grant a hearing regarding the issue of a mass update required by state or federal law **unless** the reason for the request is an issue of incorrect calculation of program benefits or patient-pay amount. BAM 600.

In the instant case, the evidence and testimony provided confirm that Claimant is disputing a change in her Food Assistance Program (FAP) allotment that resulted from a mass change in law and policy as defined above, relating to a federal adjustment to eligibility standards, allotments and deductions, and/or State adjustments to utility standards. 7 CFR 273.12(e)(1). There are no other issues raised by the parties for which a hearing would be conducted. As there is no right to contest the change in law or policy, the Request for Hearing is DISMISSED.

Additionally, the second issue presented by the Claimant's hearing request regarded the reduction of her food assistance benefits effective August 1, 2013 after the completion of a redetermination. Pursuant to the redetermination the Department determined that the Claimant's daughter was still in student status and not working and thus removed her from the Claimant's FAP group. Based on a review of the redetermination information provided, the Department incorrectly interpreted the information. The redetermination clearly noted that the Claimant was not attending after the winter term due to student aid problems. Exhibit 3. Further, at the hearing the Claimant's daughter confirmed under oath that she was not a student at the time of the redetermination in July 2013 and testified under oath that the last time she attended school was in April 2013. The Claimant's daughter could not attend school due to student aid problems. Based upon the evidence presented the Department should not have removed the Claimant's daughter from the food assistance group and therefore its action removing her from the FAP group and reducing the food assistance benefits was incorrect.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department

- acted in accordance with Department policy when it reduced the Claimant's food assistance benefits due to the ending of the Federal Stimulus Program.
- ☑ did not act in accordance with Department policy when it reduced the Claimant's food assistance benefits based on the Claimant's daughter's student status.

DECISION AND ORDER

Accordingly, the Department's decision is

☑ DISMISSED. With respect to the reduction of food assistance benefits based upon the ending of the Federal Stimulus Program.

- REVERSED with respect to the reduction of food assistance benefits due to the Claimant's daughter's student status.
- THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:
- The Department is ordered to initiate recalculation of the Claimant's food assistance benefits beginning August 1, 2013, ongoing to include the Claimant's daughter in the FAP group.
- 2. The Department shall issue a supplement to the Claimant for any benefits she was otherwise entitled to receive in accordance with Department policy.

Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: November 26, 2013

Date Mailed: November 26, 2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the Claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

2014-7124/LMF

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-07322

cc: