

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201317857  
Issue No.: 3002  
Case No.: [REDACTED]  
Hearing Date: January 23, 2013  
County: Wayne DHS (76)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on January 23, 2013, from Detroit, Michigan. Participants included the above-named claimant. [REDACTED] testified and appeared as Claimant's authorized hearing representative. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Manager, and [REDACTED], Specialist.

**ISSUE**

The issue is whether DHS properly determined Claimant's Food Assistance Program (FAP) benefit eligibility effective 1/2013.

**FINDINGS OF FACT**

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

1. Claimant was an ongoing FAP benefit recipient.
2. Claimant was the only member of a FAP benefit group.
3. Claimant received \$724/month in Supplemental Security Income (SSI).
4. Claimant failed to verify a rental obligation to DHS.
5. Claimant had no day care or child support expenses.
6. Claimant had less than \$35/month in medical expenses.

7. On 12/8/12, DHS determined that Claimant was eligible for \$113/month in FAP benefits effective 1/2013, in part, based on \$724 in SSI and no rental obligation.
8. On 12/19/12, Claimant requested a hearing to dispute the FAP benefit redetermination effective 1/2013.

### **CONCLUSIONS OF LAW**

The Food Assistance Program (formerly known as the Food Stamp 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). DHS administers the FAP pursuant to Michigan Compiled Laws 400.10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The present case concerns a FAP benefit eligibility determination effective 1/2013. Claimant's primary complaint was that his FAP benefit eligibility was reduced in 1/2013 from previous months' eligibility. DHS explained to Claimant that a small change from 12/2012 occurred because of an increase in SSI benefits and a larger reduction occurred several months prior because Claimant allegedly failed to verify a rental obligation. Despite the DHS explanation, the only way to determine the correctness of the FAP benefit determination for 1/2013 is to consider the 1/2013 FAP budget. BEM 556 outlines the proper procedures for calculating FAP benefit eligibility.

Bridges (the DHS database) counts the gross amount of current SSA-issued SSI as unearned income. BEM 503 at 21. It was not disputed that Claimant received \$724/month in gross SSI benefits.

DHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 at 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, DHS considers the following expenses: child care, excess shelter (housing and utilities) up to a capped amount and court-ordered child support and arrearages paid to non-household members. For groups containing SDV members, DHS also considers the medical expenses for the SDV group member(s) and an uncapped excess shelter expense. It was not disputed that Claimant was a disabled individual.

Verified medical expenses for SDV groups, child support and day care expenses are subtracted from a client's monthly countable income. DHS applies a \$35/month copayment to monthly medical expenses. Claimant did not claim to have any day care, child support or medical expenses.

Claimant's FAP benefit group receives a standard deduction of \$148. RFT 255. The standard deduction is given to all FAP benefit groups, though the amount varies based

on the benefit group size. The standard deduction is also subtracted from the countable monthly income to calculate the group's adjusted gross income. The adjusted gross income amount is found to be \$576.

Claimant claimed to pay \$250/month in rent. Claimant testified that the rental verification was submitted to DHS sometime in 9/2012. DHS responded that they had no record of the rental verification. DHS also stated that the verification was last requested in 7/2012 because no prior shelter verification was on file for Claimant. Though it is not known with certainty whether a shelter verification was submitted, the evidence tended to establish that one was not submitted. Claimant never realized that DHS removed the rent credit until months after the credit was removed. Also, 9/2012 would be an odd time to submit a rent verification if DHS requested the verification in 7/2012 and Claimant moved to the residence in 9/2011. It also did not help Claimant's testimony that Claimant's testimony of where he lived in 4/2012 did not match his paperwork. Based on the presented evidence, it is found that Claimant failed to verify his rental obligation; accordingly, it is found that DHS properly budgeted \$0 for Claimant's rental obligation. It should be noted that Claimant may still submit a rental verification for consideration in future benefit eligibility.

DHS gives a flat utility standard to all clients. BEM 554 (1/2011), pp. 11-12. The utility standard of \$575 (see RFT 255) encompasses all utilities (water, gas, electric, telephone) and is unchanged even if a client's monthly utility expenses exceed the \$575 amount. The total shelter obligation is calculated by adding Claimant's housing expenses to the utility credit; this amount is found to be \$575


DHS only credits FAP benefit groups with what DHS calls an "excess shelter" expense. This expense is calculated by taking Claimant's total shelter obligation and subtracting half of Claimant's adjusted gross income. Claimant's excess shelter amount is found to be \$287.

The FAP benefit group's net income is determined by taking the group's adjusted gross income and subtracting the allowable excess shelter expense. The FAP benefit group's net income is found to be \$289. A chart listed in RFT 260 is used to determine the proper FAP benefit issuance. Based on Claimant's group size and net income, Claimant's proper FAP benefit issuance is found to be \$113, the same amount calculated by DHS.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly determined Claimant to be eligible for FAP benefits effective 1/2013 of \$113/month.

The actions taken by DHS are AFFIRMED.

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

Date Signed: January 29, 2013

Date Mailed: January 29, 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 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 **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.

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

CG/hw

cc:

