

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-31833
Issue No.: 3002
Case No.: [REDACTED]
Hearing Date: April 1, 2013
County: Wayne (57)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 conducted on Monday, April 1, 2013 from Detroit, Michigan. The Claimant appeared and testified. Participating on behalf of the Department of Human Services (Department) was [REDACTED], Family Independence Manager.

ISSUE

Due to a decrease in medical expenses, did the Department properly reduce Claimant's Food Assistance Program (FAP) benefits?

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 recipient of FAP benefits.
2. On an unverified date, the Department sent Claimant a Notice of Case Action informing her that her FAP benefits would be reduced effective January 1, 2013.
3. On February 20, 2013, Claimant filed a hearing request disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

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 (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich. Admin Code. Rule 400.3001 through Rule 400.3015.

Additionally, Claimant requested a hearing to address the decrease in her FAP benefits from \$66.00 to \$23.00 effective January 1, 2013. All countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500 (November 2012), pp. 1 – 3. Money earned from Retirement, Survivors, Disability Insurance (RSDI) and Supplemental Security Income (SSI) is included in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (November 2012). Michigan SSI benefits include a basic federal benefit and an additional amount paid from state funds. BEM 503, p. 23. The Department issues the State SSI Payment (SSP) to SSI recipients on a quarterly basis. BEM 660 (November 2011), p.1.

In this case, Claimant applied and was approved for the Medicare Savings Program. See BEM 165 (October 2010). As a result, Claimant's FAP budget effective January 1, 2013 was recalculated and the Department determined that her benefits would be reduced to \$23.00 because her Medicare Premium was removed as a medical expense for FAP budgeting purposes. The January 2013 FAP budget was presented at the hearing. (Exhibit 1). The Department concluded that Claimant had unearned income of \$1,791.00 which came from RSDI benefits for herself and SSI benefits for her daughter. The SOLQ presented shows that \$1,067.00 is received monthly in RSDI benefits. (Exhibit 2, p.1). The Department testified that Claimant's daughter receives \$710.00 monthly in SSI and \$14.00 monthly in SSP. Claimant verified the amounts used by the Department to determine her unearned income and that her housing costs are \$745.00. The FAP budget shows that the Department properly applied the \$148.00 standard deduction applicable to Claimant's confirmed group size of two and the \$575.00 standard heat and utility deduction available to all FAP recipients. RFT 255 (October 2012), p 1; BEM 554 (October 2012), pp. 11-12. The Department stated that because Claimant's Medicare Part B Premium of \$104.90 is being billed to the State under the Medicare Savings Program, it would not be considered a medical expense for the January 1, 2013 benefit period. At the time of the hearing, Claimant had not submitted any additional medical expenses, so a medical deduction was not applied. Claimant was advised that she should submit to the Department proof of medical expenses which may be counted as a medical deduction and impact her future FAP benefits.

A review of the FAP budget shows that the Department acted in accordance with Department policy when it concluded that Claimant had monthly net income of

\$1,144.00 and was eligible for monthly FAP benefits of \$23.00 effective January 1, 2013. BEM 556 (October 2011); RFT 260 (December 2012), p 10.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department acted in accordance with Department policy when it reduced Claimant's FAP benefits. Accordingly, the Department's decision is AFFIRMED.



Zainab Baydoun
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: April 9, 2013

Date Mailed: April 9, 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 affect the substantial rights of the claimant:
 - 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

ZB/cl

cc:

