

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

**IN THE MATTER OF:**



Reg. No.: 2013-34995  
Issue No.: 3015  
Case No.: [REDACTED]  
Hearing Date: April 11, 2013  
County: Oakland (04)

**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 Thursday, April 11, 2013 from Detroit, Michigan. The Claimant appeared and testified. Participating on behalf of the Department of Human Services (Department) was [REDACTED] Success Coach Pathways to Potential.

**ISSUE**

Due to excess income, did the Department properly close Claimant's Food Assistance Program (FAP) case?

**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 February 27, 2013, the Department sent Claimant a Notice of Case Action informing her that effective March 1, 2013, her FAP case would close due to excess income. (Exhibit 2)
3. On March 7, 2013, Claimant filed a hearing request disputing the Department's actions.

## CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services 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.

In this case, Claimant was receiving FAP benefits based on a group size of three. In February 2013, a group member moved from the home and Claimant's group size for FAP purposes was reduced to two. Claimant's FAP budget for March 1, 2013 was recalculated and the Department determined that Claimant was not eligible to receive FAP benefits because her net income was \$1,351.00, exceeding the limit. For FAP purposes, the applicable FAP net income limit for Claimant's group size of two is \$1,261.00. RFT 250 (October 2012), p. 1. On February 27, 2012, the Department sent Claimant a Notice of Case Action informing her that effective March 1, 2013, her FAP case would close due to excess income. (Exhibit 2).

At the hearing, the budget from the FAP EDG Net Income Results was reviewed. (Exhibit 1). The Department concluded that Claimant had unearned income of \$2,557.00 which came from two sources: \$1,461.80 in Retirement, Survivors, Disability Insurance (RSDI) benefits for Claimant and \$1096.30 in RSDI benefits for Claimant's dependant. (Exhibit A). Money earned from RSDI is included in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (November 2012), p.21. Claimant confirmed that her FAP group size was two. The Department properly applied the \$148.00 standard deduction applicable to Claimant's group size. RFT 255 (October 2012), p 1. Because Claimant is a Senior/Disabled/Veteran (SDV) member of her FAP group, she is eligible for a deduction for verified medical expenses she incurred in excess of \$35.00. BEM 554 (October 2012), p 1. Claimant's March 2013 FAP budget showed a medical expense deduction of \$70.00. The Department considered Claimant's Part B Medicare premium of \$104.90 as an ongoing medical expense. This amount, less the \$35 offset, results in the \$70 medical deduction used in the March 2013 budget. (Exhibit 1; Exhibit 3).

According to the excess shelter deduction presented, the Department applied the \$575.00 standard heat and utility deduction available to all FAP recipients and determined that Claimant's housing expenses were \$1,581.59. (Exhibit 4); BEM 554 (October 2012), pp. 11-12. Claimant did not provide any evidence disputing the amount used by the Department for housing costs. Upon further review, the Department properly calculated Claimant's net income to be \$1,351.00, which exceeds the applicable FAP net income limit of \$1,261.00 for a group size of two. RFT 250, p. 1.

Therefore, the Department acted in accordance with Department policy when it closed Claimant's FAP case due to excess income.

**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 closed Claimant's FAP case due to excess income. Accordingly, the Department's decision is AFFIRMED.



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

Date Signed: April 18, 2013

Date Mailed: April 18, 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

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ZB/cl

cc:

