

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

**IN THE MATTER OF:**



Reg. No.: 2013 40099  
Issue No.: 3015  
Case No.: [REDACTED]  
Hearing Date: May 8, 2013  
County: Oakland County DHS (03)

**ADMINISTRATIVE LAW JUDGE:** Lynn M. Ferris

**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 May 8, 2013, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included Judy Windrim, FIM.

**ISSUE**

Due to excess income, did the Department properly  deny the Claimant's application  close Claimant's case  reduce Claimant's benefits for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?        | <input type="checkbox"/> Adult Medical Assistance (AMP)?    |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)?                  | <input type="checkbox"/> Child Development and Care (CDC)?  |

**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  applied for benefits for:  received benefits for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP).        | <input type="checkbox"/> Adult Medical Assistance (AMP).    |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP). | <input type="checkbox"/> State Disability Assistance (SDA). |
| <input type="checkbox"/> Medical Assistance (MA).                  | <input type="checkbox"/> Child Development and Care (CDC).  |

2. On May 1, 2013, the Department  denied Claimant's application  closed Claimant's case  reduced Claimant's benefits due to excess income.
3. On March 29, 2013, the Department sent  Claimant  Claimant's Authorized Representative (AR) notice of the  denial.  closure.  reduction.
4. On May 1, 2013 the Claimant provided a letter from her employer dated 4/25/13 advising that the Claimant was no longer employed by First Student effective 2/26/13. Claimant Exhibit A.
5. On April 8, 2013, Claimant or Claimant's AHR filed a hearing request, protesting the  denial of the application.  closure of the case.  reduction of benefits.

### **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 1999 AC, Rule 400.3001 through Rule 400.3015.

Additionally, in this case the Department closed the Claimant's food assistance case due to excess net income for a FAP group of 5 persons. The net income limit was \$2251 for a group of 5 and the net income received by the Claimant as calculated by the department was \$2775. Exhibit 6 ; Reference Table, RFT 250 (10/1/12).

The issue arose due to the fact that the Claimant's employment with First Student ended and the Department did not receive notice of the employment termination until 5/1/13 after the FAP case had closed. The Claimant testified that she sent a letter to the department in early March 2013 from First Student advising the Department that her employment terminated. The Claimant was not certain of the date the letter was sent and did not keep a copy of the letter that she sent. The Department did not receive the letter.

BAM 105 provides:

Clients must report changes in circumstance that potentially affect eligibility or benefit amount. Changes must be reported within 10 days of receiving the first payment reflecting the change.

Income reporting requirements are limited to the following:

Earned income:

Starting or stopping employment.

Changing employers.

Change in rate of pay.

Change in work hours of more than five hours per week that is expected to continue for more than one month. BAM 105 pp7 (3/1/13)

In this case it is determined that the Claimant did not provide notice of the ending of employment until 5/1/13, and thus the Department properly included First Student income when recalculating FAP benefits. The Department did receive a second letter from the Claimant advising the Department that she began work for the Waterford Schools effective 2/28/13. Exhibit 2. Based upon the information it had available to it the Department recalculated the Claimant's FAP benefits based on Claimant's new employment and was required to do so due to a reported change in income. After recalculating the FAP benefits the Department correctly determined based on the best information available to it, that the Claimant was no longer eligible to receive FAP benefits due to excess income. RFT 250 (10/1/12)

The Department presented the evidence it relied upon in calculating the FAP benefits including check stubs from First Student and the wages and hours reported by the Waterford school in its letter verifying employment of the Claimant. Exhibits 1, 2 and 6. The FAP budgets were admitted as evidence and reviewed during the hearing and the group size and rent were verified as correct by the Claimant.

Based upon the information available to it at the time the FAP budget was recalculated, the Department correctly included the income from both jobs. I find the Department did not receive the Claimant's letter. This finding is based upon the fact that the Claimant did not provide a copy of the original letter sent, and had the employer prepare another letter. The Claimant did not ask the employer for a copy of the original letter, or if it was available, and lastly the Claimant could not say for certain when the letter was mailed. Because the Department did not receive notice of the change in employment, i.e. ending of First Student employment the Department was unaware of the employment ending.

The Claimant may reapply for FAP benefits at any time.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that, due to excess income, the Department  properly  improperly

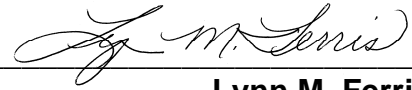
- denied Claimant's application
- reduced Claimant's benefits
- closed Claimant's case

for:  AMP  FIP  FAP  MA  SDA  CDC.

**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  did act properly  did not act properly.

Accordingly, the Department's  AMP  FIP  FAP  MA  SDA  CDC decision is  AFFIRMED  REVERSED for the reasons stated on the record.



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

Date Signed: May 13, 2013

Date Mailed: May 14, 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.

2013-40099/LMF

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

LMF/tm

cc:

