

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

IN THE MATTER OF:



Reg. No.: 201348926
Issue No.: 3002
Case No.: [REDACTED]
Hearing Date: June 20, 2013
County: Wayne County (#57)

ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's May 14, 2013 request for a hearing. After due notice, a telephone hearing was conducted on Thursday, June 20, 2013, from Detroit, Michigan. The Claimant appeared and testified. Participant on behalf of Department of Human Services (Department) was [REDACTED] (Family Independence Manager).

ISSUE

Whether the Department properly decreased the Claimant's Food Assistance Program (FAP) allotment?

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 is an ongoing FAP recipient with a group size of 1.
2. Effective April 2013, the Claimant began receiving unemployment income in the amount of \$626 bi-weekly. (Exhibit 2)
3. The Claimant did not provide proof of housing cost, but received the standard utility deduction of \$575.
4. The Claimant has a monthly child support obligation.

5. On May 3, 2013, the Department sent Notice of Case Action informing Claimant that his FAP benefits would decrease from \$200 to \$16 effective June 1, 2013. (Exhibit 1)
6. On May 14, 2013, the Department received Claimant's written hearing requesting disputing the amount of his FAP allotment.

CONCLUSIONS OF LAW

The Department of Human Services (DHS) 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, R 400.3001 through R 400.3015.

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. BEM 500 (January 2013), p. 3. 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) All income is converted to a monthly amount. BEM 505 (October 2010) A standard monthly amount must be determined for each income source used in the budget. BEM 505, p. 1. Weekly benefit amounts are converted to a monthly amount by multiplying the weekly amount by 4.3. BEM 505, p. 6. Bi-weekly amounts are converted by multiplying the amount by 2.15. BEM 505, p. 6.

In this case, the Claimant received unemployment compensation in the amount of \$626/bi-weekly. When determining eligibility, the Department is required to convert the Claimant's bi-weekly unearned income to a standard monthly amount. Claimant's monthly income is \$1,388.00. A review of the FAP budget shows that the Department properly applied the \$148 standard deduction applicable to a FAP group size of one, the \$575 standard heat and utility deduction available to all FAP recipients. Claimant testified that he provided proof of cost of rental agreement when he originally applied. The Department had no record of such verification. Claimant's net income is \$742 after all applicable deductions. The allowable benefit amount for a group of one based on the net income amount is \$16.00. RFT 250 (November 2012).

On this record, the Department established it acted in accordance with policy when it determined Claimant eligible for \$16 in FAP benefits based on Claimant's increase in

unearned income. While Claimant reported housing expenses that was not budgeted, he needs to provide verification of his housing cost to the Department. Any reported changes will be processed by the Department in accordance with policy to affect future FAP benefits.

Accordingly, the Department action is UPHeld.

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 properly when it determined reduced Claimant's FAP benefits from \$200 to \$16 effective June 1, 2013.

Accordingly, the Department's FAP determination is hereby, **AFFIRMED**.



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

Date Signed: 7/1/2013

Date Mailed: 7/1/2013

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.

2013-48926/MH

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

MH/hw

cc:

