

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

IN THE MATTER OF:

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████████████████████

Reg. No.: 2013-51364
Issue No.: 3002
Case No.: ██████████
Hearing Date: July 31, 2013
County: Oakland (02)

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 July 31, 2013 from Detroit, Michigan. Claimant appeared and testified. Participating on behalf of the Department of Human Services (Department) was ██████████ Eligibility Specialist.

ISSUE

Did the Department properly calculate the amount of 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. In connection with a redetermination, Claimant's eligibility for FAP benefits was reviewed.
3. On May 20, 2013, the Department sent Claimant a Notice of Case Action informing her that she was approved for FAP benefits in the amount of \$131.00 effective June 1, 2013. (Exhibit 1).
4. Claimant did not agree with the Department's calculation of her FAP benefits.

5. On May 31, 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, all countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500 (January 2013), pp. 1 – 3. The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Prospective income is income not yet received but expected. BEM 505 (October 2010), p. 1. In calculating a client's earned income, the Department must determine a best estimate of income expected to be received by the client during a specific month. BEM 505 (October 2010), p. 2. In prospecting income, the Department is required to use income from the past 30 days if it appears to accurately reflect what is expected to be received in the benefit month, discarding any pay if it is unusual and does not reflect the normal, expected pay amounts. BEM 505, p. 4. A standard monthly amount must be determined for each income source used in the budget. BEM 505, p. 6. Income received weekly is converted to a standard amount by multiplying the average of the weekly paychecks by the 4.3 multiplier. BEM 505, pp. 6-7.

At the hearing, the budget summary from the May 10, 2013 Notice of Case Action was reviewed. (Exhibit 1). The Department concluded that Claimant had earned income of \$2,310.00. The Department testified that in calculating Claimant's monthly earned income, it considered the following: (1) \$578.05 paid on April 12, 2013; (2) \$442.82 paid on April 19, 2013; (3) \$578.05 paid on April 26, 2013; and (4) \$550.31 paid on May 3, 2013. (Exhibit 3). The Department properly multiplied the average of pay stubs by the 4.3 standard multiplier, as Claimant confirmed that she gets paid weekly. The Department is to apply a 20% earned income deduction to Claimant's total earned income. BEM 550 (February 2012), p. 1. After further review, the Department did properly apply the required 20% earned income deduction to Claimant's earned income for FAP purposes. Therefore, the Department properly calculated Claimant's earned income.

The gross amount of money earned from Supplemental Security Income (SSI) is included in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (May 2013), pp. 21 and 24. 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. The monthly amount of the SSP payment issued quarterly by the Department in March, June, September and December is \$14.00. RFT 248 (January 2013), p. 1.

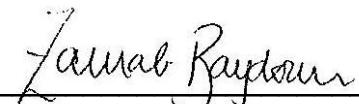
The Department concluded that Claimant had unearned income in the amount of \$724.00 which came from monthly SSI benefits for Claimant's child. Claimant verified that the gross amount of monthly SSI benefits her child receives is \$710.00 and the SOLQ presented also confirms this amount. (Exhibit 2). The Department testified that in calculating Claimant's unearned income, it included the \$14.00 in quarterly SSP benefits.

The budget shows that the Department applied the \$186.00 standard deduction applicable to Claimant's confirmed group size of five and that the \$575.00 standard heat and utility deduction available to all FAP recipients was properly applied. (Exhibits 1); RFT 255 (October 2012), p 1; BEM 554 (October 2012), pp. 11-12. The Department determined Claimant's housing costs were \$800.00, which Claimant confirmed. (Exhibit 5).

A further review of the evidence establishes that the Department properly determined that Claimant had net income of \$2,204.00 and was eligible to receive FAP benefits in the amount of \$131.00. RFT 260 (December 2012), p. 19.

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 calculated the amount of Claimant's monthly FAP benefits. Accordingly, the Department's decision with respect to FAP is AFFIRMED.



Zainab Baydoun

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

Date Signed: August 8, 2013

Date Mailed: August 8, 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

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