

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201369532
Issue No.: [REDACTED]
Case No.: [REDACTED]
Hearing Date: October 29, 2013
County: Clinton

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on October 29, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Whether the Department of Human Services (Department) properly closed the Claimant's Food Assistance Program (FAP) benefits due to excess income?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. The Claimant was an ongoing Food Assistance Program (FAP) recipient.
2. On September 4, 2013, the Department received verification that the Claimant was receiving earnings from new employment.
3. The Claimant receives monthly earned income in the gross monthly amount of [REDACTED].
4. The Claimant receives monthly unemployment compensation in the gross monthly amount of [REDACTED].
5. On September 13, 2013, the Department notified the Claimant that it would close her Food Assistance Program (FAP) benefits as of October 1, 2013.

6. The Department received the Claimant's request for a hearing on September 19, 2013, protesting the closure of her Food Assistance Program (FAP) benefits.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (July 1, 2013).

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. Department of Human Services Bridges Eligibility Manual (BEM) 505 (July 1, 2013), pp 6-7.

The Claimant was an ongoing Food Assistance Program (FAP) recipient as a group of one when she provided the Department with verification that she would begin receiving earnings from new employment. The Department received the Claimant's first paycheck and determined her eligibility for benefits based on this change to her circumstances.

The Claimant receives earned income in the gross monthly amount of [REDACTED], which was determined by multiplying the gross earnings from her August 26, 2013, paycheck by a factor of 2.15 as directed by BEM 505. The Claimant receives unemployment benefits in the gross monthly amount of [REDACTED], which was determined by multiplying her bi-weekly compensation of [REDACTED] by a factor of 2.15 as directed by BEM 505. The Claimant's adjusted gross earnings of [REDACTED] were determined by subtracting the standard [REDACTED] deduction, and the 20% earned income deduction from her total earnings. The Claimant is not eligible to have medical or dental expenses applied to her Food Assistance Program (FAP) eligibility because her group is not considered a senior or disabled benefit group. Department of Human Services Bridges Eligibility Manual (BEM) 554 (July 1, 2013), p 8. The Claimant's excess shelter deduction of [REDACTED] was determined by adding her [REDACTED] 5 monthly shelter expense to the [REDACTED] standard

deduction for heat and utilities, and subtracting 50% of her adjusted gross income. The Claimant's net income of [REDACTED] was determined by subtracting her excess shelter deduction from her adjusted gross income. The Claimant's net income exceeds the income limit to participate in the Food Assistance Program (FAP) program for a group of one.

Based on the evidence and testimony available during the hearing, the Department has established that it properly closed the Claimant's Food Assistance Program (FAP) benefits. Any changes in the Claimant's circumstances may affect her eligibility to receive future benefits, but the Department properly applied its policies to the Claimant's circumstances as of September 13, 2013.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it closed the Claimant's Food Assistance Program (FAP) benefits.

Accordingly, the Department's decision is **AFFIRMED**.

/s/
Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 10/30/2013

Date Mailed: 10/30/2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

KS/sw

cc:

