

**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.: 2014-25289
Issue No(s): 1001;3000
Case No.: ██████████
Hearing Date: March 3, 2014
County: Wayne (31)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 March 3, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████ Family Independence Specialist.

ISSUE

Did the Department properly process Claimant's Food Assistance Program (FAP) and Family Independence Program (FIP) 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 and FIP benefits.
2. On December 2, 2013, the Department sent Claimant a Notice of Case Action informing her that effective January 1, 2014, she was approved for FIP benefits in the amount of ██████████ and that she was approved for FAP benefits in the amount of ██████████ monthly. (Exhibit 3)
3. On January 29, 2014, Claimant submitted 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), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

FAP

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.

The hearing was requested to dispute the Department's action taken with respect to Claimant's FAP benefits. Shortly after commencement of the hearing, Claimant testified that she understands and is satisfied with the actions taken by the Department and that she no longer had any issues to address with respect to her FAP benefits. Claimant further confirmed that she did not wish to proceed with the hearing concerning her FAP benefits. The Request for Hearing was withdrawn. The Department agreed to the dismissal of the hearing request. Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing regarding the FAP is hereby **DISMISSED**.

FIP

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131.

In order to receive FIP benefits, a client must establish that financial need exists. BEM 515 (July 2013), p.1; BEM 518 (July 2013), p.1. Financial need is established, in part, when a client passes the Issuance Deficit Test. A client passes the Issuance Deficit Test if the certified group's budgetable income for the income month is *less* than the certified group's payment standard for the benefit month. BEM 515, p 1; BEM 518, p.1. The payment standard is the maximum benefit amount that can be received by the group and is dependent on the FIP group size. BEM 515, p.1. The FIP monthly assistance payment standard for Claimant's confirmed group size of two is \$403. RFT 210 (December 2013), p.1.

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 2014), pp. 1 – 3. For FIP cases, 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 (July

2013), p. 1. The Department must determine a best estimate of income expected to be received by the client during a specific month. 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. 7. Income received biweekly is converted to a standard amount by multiplying the average of the biweekly paychecks by the 2.15 multiplier. BEM 505, pp. 8. The Department is then to deduct \$200 from each person's countable earnings. Then deduct an additional 50 percent of each person's remaining earnings. The total disregard cannot exceed countable earnings. BEM 518, p. 5.

Claimant submitted a hearing request disputing the Department's calculation of her FIP benefits. At the hearing, FIP Income test was reviewed. (Exhibit 2). The Department determined that Claimant had earned income of [REDACTED]. The Department presented the check stubs relied on in calculating Claimant's earned income, specifically (i) [REDACTED] paid on November 1, 2013; and (ii) \$ [REDACTED] paid on November 15, 2013. (Exhibit 1).

After further review, the Department properly calculated Claimant's earned income, subtracted the [REDACTED] standard income deduction and then deducted an additional 50 percent from the remaining earnings to determine that Claimant had countable income of [REDACTED]. The countable income when subtracted from the \$ [REDACTED] payment standard results in a grant amount of [REDACTED] which the Department properly calculated. The Department testified that for several months, \$ [REDACTED] has been deducted from Claimant's monthly [REDACTED] FIP grant as a result of a recoupment. Therefore, the Department has properly determined that Claimant is eligible for [REDACTED] in monthly FIP benefits.

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 calculated the amount of Claimant's FIP benefits.

DECISION AND ORDER

Accordingly, Claimant's hearing request with respect to FAP is DISMISSED and the Department's FIP decision is AFFIRMED.



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

Date Signed: March 7, 2014

Date Mailed: March 10, 2014

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

ZB/tm

cc: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]