

**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.: 14-002538
Issue No.: 3001
Case No.: ██████████
Hearing Date: July 16, 2014
County: WAYNE (18)

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 July 16, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and ██████████ ██████████, Claimant's nephew. Participants on behalf of the Department of Human Services (Department) included ██████████, Family Independence Manager, and ██████████ ██████████ Family Independence Specialist.

ISSUE

Did the Department properly calculate Claimant's Food Assistance Program (FAP) benefits for March 1, 2014?

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 FAP recipient.
2. On January 30, 2014, Claimant submitted a completed Redetermination.
3. Upon receipt of the Redetermination, the Department realized that it had removed a group member's earned income and subsequently recalculated Claimant's eligibility for FAP benefits.
4. On February 21, 2014, the Department sent Claimant a Notice of Case Action notifying her that her FAP case would close due to excess income effective March 1, 2014.

5. On May 9, 2014, Claimant filed a Request for Hearing 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).

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 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .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 2014), pp. 1 – 4.

In this case, the Claimant requested a hearing because she believed that her FAP case was closed improperly by the Department. On January 30, 2014, Claimant completed a Redetermination in which she listed the household income. Claimant also indicated that her daughter was a chore provider but did not list the monthly amount received. The Department completed a consolidated inquiry and confirmed that Claimant's daughter was paid \$294.00 bi-weekly as a chore provider for Claimant's mother. No other group members received earned income. Therefore, the group's monthly earned income is \$588.00.

Claimant confirmed that she and her daughter each receive \$721.00 per month in SSI benefits. Claimant and her daughter also each receive \$42.00 every three months in State Disability Assistance. Claimant's daughter also receives \$158.00 per month in Family Independence Program benefits. Accordingly, the group's total monthly unearned income is \$1,628.00.

Upon receipt of Claimant's Redetermination, the Department realized that Claimant's daughter's earned income had mistakenly been removed. As such, the Department recalculated Claimant's eligibility and determined that she was no longer eligible for FAP benefits. Claimant is disabled and therefore entitled to deduct medical expenses. The Department presented a FAP net income budget showing the calculation of benefits which incorporated a \$215.00 deduction for medical expenses. The Department was unable to explain how it arrived at the \$215.00 medical deduction. The

Redetermination submitted by Claimant listed \$285.00 in monthly medical expenses. The Department stated that it did not include the medical expenses listed in the Redetermination because Claimant failed to provide any proof of payment for the expenses.

Claimant testified that she has a chore provider paid by the State of Michigan; however, those services are insufficient to meet her medical requirements as prescribed by her physician. As a result, Claimant testified that she has out-of-pocket expenses for additional chore providers. Claimant's nephew, one of her chore providers, accompanied her to the hearing. Claimant also testified that the group has out-of-pocket prescription costs which were previously submitted to the Department. It is found that Claimant provided credible testimony regarding her medical expenses and as such, the medical expenses should have been calculated.

Claimant testified that she submitted her automobile insurance premiums to the Department and that they were not considered in determining her eligibility for benefits. Claimant acknowledged that the documentation she submitted did not contain any amounts which would have allowed the Department to take a deduction if such a deduction was allowed. The Department testified that policy does not allow a deduction for payments paid for insurance premiums.

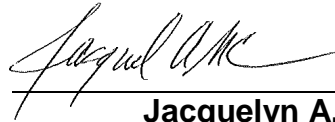
Claimant has a group size of three. The Department presented a net income budget which properly listed Claimant's household monthly unearned income as \$1,628.00 and her monthly earned income as \$632.00, using Department policy calculation. Based on Claimant's circumstances, Claimant was eligible for the following deductions from the group's income under Department policy:

- a standard deduction of \$151 based on her one-person group size (RFT 255 (December 2013), p. 1; BEM 556, (December 2013) p. 4;
- a medical deduction of \$250.00, which is the amount of the medical bills listed in the Redetermination less \$35.00. BEM 554 (December 2013) p. 1; and
- an excess shelter deduction of \$3.00 which is based on monthly shelter expenses of \$333.00 and the \$553.00 heat and utility standard deduction. (BEM 554 (December 2013), p. 5.

Based on the information available to the Department at the time the budget was prepared, the Department properly calculated Claimant's net income of \$1,764.00. The net income limit for a group size of three is \$1,628.00. Because Claimant's net income exceeds the net income limit, the Department properly determined that Claimant was ineligible for FAP benefits. BEM 556; RFT 260 (December 2013), p. 14.

DECISION AND ORDER

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



Jacquelyn A. McClinton
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **7/23/2014**

Date Mailed: **7/23/2014**

JAM/cl

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

CC: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]