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

#### IN THE MATTER OF:

Reg. No.: 14-004056
Issue No.: 3001

Case No.:

Hearing Date: July 10, 2014

County: WAYNE PATHWAYS

**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 10, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and Claimant and Claimant's wife. Participants on behalf of the Department of Human Services (Department) included Remaining Family Independence Specialist and Success Coach.

# **ISSUE**

Did the Department properly calculate 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 began receiving SSI benefits in the amount of \$254.50 effective May 1, 2014.
- 2. On May 15, 2014, the Department sent Claimant a Notice of Case Action notifying him that his FAP benefits would decrease to \$199.99 per month as a result of his additional unearned income.
- 3. On June 16, 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. Claimant requested a hearing because he believed that his FAP benefits had not been properly calculated. During the hearing, Claimant's wife expressed frustration, stating that this hearing was the sixth hearing held this year regarding benefits received from the Department. The Department representative confirmed that a Notice of Case Action was sent notifying Claimant that the group would receive \$257.00 in FAP benefits effective April 1, 2014. The Department further confirmed that another Notice of Case Action was sent notifying Claimant that the group would receive \$381.00 effective May 1, 2014. A third Notice of Case Action went out in as many months on May 15, 2014 notifying Claimant that the group would receive \$199.00 effective June 1, 2014. It is unclear what caused the multiple Notices of Case Action to be sent.

The Hearing Summary indicated that the FAP benefits would be reduced to \$199.00 effective June 1, 2014 because Claimant began receiving SSI benefits in the amount of \$404.00 However, at the hearing, the Department testified that its computer system showed that Claimant began receiving SSI benefits in the amount of \$254.50 effective May 1, 2014. Claimant's wife had been receiving both SSI and RSDI since 2009. Additionally, Claimant's son had been receiving SSI since 2009. Claimant and his wife both testified that there were no other changes in the household's income other than his receipt of SSI benefits effective May 1, 2014. The Department was unable to establish that Claimant's household income increased by \$404.00 and therefore failed to establish that it properly calculated and subsequently reduced Claimant's FAP benefits to \$199.99 per month effective June 1, 2014.

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 did not act in accordance with policy when failed use the correct amount in additional unearned income when calculating Claimant's eligibility for FAP benefits.

# **DECISION AND ORDER**

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

- 1. Recalculate Claimant's FAP benefits effective June 1, 2014, ongoing;
- 2. Issue supplements to Claimant for any FAP benefits that he was entitled to receive but did not from June 1, 2014, ongoing; and
- 3. Notify Claimant of its decision in writing.

Jacquelyn A. McClinton

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

Date Signed: 7/18/2014

Date Mailed: 7/18/2014

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

