

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-004168
Issue No.: 1001, 3001
Case No.: [REDACTED]
Hearing Date: July 10, 2014
County: Kalamazoo

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 July 10, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly close claimant's FIP and FAP?

FINDINGS OF FACT

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

1. The Claimant was an ongoing Food Assistance Program (FAP) and Family Independence Program (FIP) recipient.
2. On March 24, 2014, the Department notified the Claimant that it would close his Family Independence Program (FIP) benefits because he no longer met the requirements of the program.
3. On April 9, 2014, the Department sent the Claimant a Verification Checklist (DHS-3503), requesting that the Claimant provide verification of his income by April 21, 2014.
4. On April 17, 2014, the Department received copies of the Claimant's payroll records.
5. The Claimant receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED].

6. On May 21, 2014, the Department notified the Claimant that it would close his Food Assistance Program (FAP) benefits as of July 1, 2014.
7. On June 1, 2014, the Department received the Claimant's request for a hearing protesting the closure of Family Independence Program (FIP) and Food Assistance Program (FAP) benefits.

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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101 to .3131.

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.

A Family Independence Program (FIP) benefit group must include a dependent child who lives with a legal parent, stepparent or other qualifying caretaker. Department of Human Services Bridges Eligibility Manual (BEM) 210 (July 1, 2013), p 1.

The Claimant was an ongoing Family Independence Program (FIP) recipient when the Department notified him on March 24, 2014, that his FIP benefits would close because he is not the caretaker of a minor child.

The Claimant failed to establish that he meets the non-financial requirements of the Family Independence Program (FIP).

On April 9, 2014, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting that he provide verification of his income by April 21, 2014. The Department received copies of the Claimant's payroll records on April 9, 2014, and it re-determined his eligibility for the Food Assistance Program (FAP) based on this new information.

The Claimant receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED]. Another group member receives Retirement, Survivors, and Disability Insurance (RSDI) benefits in the gross monthly amount of \$ [REDACTED]. The Claimant's adjusted gross income of \$ [REDACTED] was determined by reducing the 20% earned income deduction, the \$151 standard deduction, and the \$ [REDACTED] deduction for medical expenses. Department policy allows Food Assistance Program (FAP) benefit groups that contain a disabled person to deduct medical verified medical expenses over

\$35. The Claimant is not entitled to an excess shelter deduction because his monthly shelter expenses are less than 50% of his adjusted gross income. Therefore, the Claimant's net income is the same as his adjusted gross income.

A Food Assistance Program (FAP) group of two with a net income of \$[REDACTED] is not eligible to receive FAP benefits. Department of Human Services Reference Table Manual (RFT) 260 (December 1, 2013).

The Claimant argued that the Department improperly determined his monthly shelter expenses because he is required to pay 25% of his paycheck to the [REDACTED] program.

However, the [REDACTED] program is not an allowable shelter expense under Department policy. Department of Human Services Bridges Eligibility Manual (BEM) 554 (May 1, 2014), pp 12-13. It should be noted that if the [REDACTED] expense were an allowable shelter expense, the Claimant's monthly shelter expenses would be greater than 50% of his adjusted gross income and he would be entitled to an excess shelter deduction, but that his net income would continue to make him ineligible to receive food assistance.

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 due to excess income.

DECISION AND ORDER

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



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

Date Signed: **7/16/2014**

Date Mailed: **7/16/2014**

KS/las

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:

