

**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.: 14-005845
Issue No(s): 1001, 3001
Case No.: ██████████
Hearing Date: July 30, 2014
County: Wayne (31)

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 30, 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 determine Claimant's eligibility for Family Independence Program (FIP) and 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 is an ongoing FIP and FAP recipient.
2. On June 2, 2014, Claimant submitted a Redetermination in which she reported her employment and provided recent paystubs.
3. On June 18, 2014, the Department sent Claimant a Notice of Case Action notifying Claimant that her FIP benefits would decrease to \$10.00 per month.
4. On June 23, 2014, Claimant filed a Request for Hearing disputing the Department's Action.

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.

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. The Claimant requested a hearing disputing the amount of both her FIP and FAP benefits. On June 2, 2014, Claimant submitted a Redetermination in which she disclosed she was employed. Claimant also submitted six pay stubs. The Department recalculated Claimant's eligibility for both FIP and FAP benefits. At the hearing, the Department presented a FIP Income Test. The Department also submitted a FAP Gross Income Test and FAP Excess Shelter Deduction budget for benefits effective July 1, 2014. The Department indicated that it used Claimant's pay stubs from May 7, 2014 through June 5, 2014 to calculate her eligibility for FIP and FAP benefits.

The FIP Income Test and the FAP Gross Income test used an earned income amount of \$1,224.00. This amount properly corresponds to the paystubs used by the Department to determine eligibility. However, the Department failed to submit a FAP Net Income budget but verbally presented the budget during the hearing. The budget verbally presented at the hearing did not include Claimant's adult son, which the Department acknowledged should have been included. Further, the budget also did not include an earned income deduction, which the Department said Claimant was entitled. The Department was instructed to provide a copy of the budget to the Claimant and fax the budget to the undersigned. The FAP Net Income budget faxed to the undersigned included an earned income deduction and had the correct group size of three. However, the budget faxed to the undersigned used an earned income amount of \$1,092.00.

Because the FAP Net Income budget faxed to the undersigned was not the budget discussed on the record regarding the FAP benefits, there is no way to determine if the Department received additional information which caused it to change the unearned income amount. Further, the FIP Income Test that was submitted also used the \$1,224.00 amount. Again, there is no way to determine if the \$1,224.00 or the \$1,092.00 is the correct earned income amount that should have been used to properly determine Claimant's eligibility for FIP and FAP benefits effective July 1, 2014. Therefore, it is found that the Department failed to establish that it properly calculated Claimant's eligibility for FIP and FAP benefits.

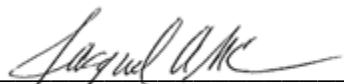
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it calculated Claimant's eligibility for FIP and FAP benefits effective July 1, 2014.

DECISION AND ORDER

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Redetermine Claimant's eligibility for FIP benefits effective July 1, 2014;
2. Issue any supplement's Claimant was eligible to receive for FIP benefits but did not effective July 1, 2014;
3. Redetermine Claimant's eligibility for FAP benefits effective July 1, 2014;
4. Issue any supplements Claimant was eligible to receive for FIP benefits but did not effective July 1, 2014; and
5. Notify Claimant in writing of its decision.


JACQUELYN A. MCCLINTON
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: August 6, 2014

Date Mailed: August 6, 2014

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides or has its principal place of business in the State, 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

JAM/cl

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