

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-006208  
Issue No.: 3001  
Case No.: [REDACTED]  
Hearing Date: August 6, 2014  
County: MONTMORENCY

**ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie**

**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, telephone hearing was held on [REDACTED], from Lansing, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], E.S.

**ISSUE**

Due to excess income, did the Department properly  reduce Claimant's benefits for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?        | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> Child Development and Care (CDC)?  |
| <input type="checkbox"/> Medical Assistance (MA)?                  |   |

**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  received:  FAP benefits.
2. On June 16, 2014, the Department  reduced Claimant's benefits due to excess income.
3. On June 16, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.

4. On June 30, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting 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), and Department of Human Services Reference Tables Manual (RFT).

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, the Claimant applied for FAP benefits. The Claimant received \$ [REDACTED] in unearned income.

As a result of excess income, the Claimant had a decrease in FAP benefits. After deductions from her gross income of \$ [REDACTED] of a \$ [REDACTED] standard deduction for an adjusted gross income of \$ [REDACTED]. The Claimant was given a total shelter deduction of \$ [REDACTED] resulting from a housing expense of \$ [REDACTED] and heat and utility standard of \$ [REDACTED]. The Claimant was given an adjusted excess shelter deduction of \$ [REDACTED] with a total shelter deduction of \$ [REDACTED] minus 50% of adjusted gross income of \$ [REDACTED]. The Claimant had a net income of \$ [REDACTED] which was the adjusted gross income of \$ [REDACTED] minus the excess shelter deduction of \$ [REDACTED]. With a net income of \$ [REDACTED] the Claimant qualified with a household group size of 1 for a maximum benefit of \$ [REDACTED] plus \$ [REDACTED] in economic recovery minus 30% of net income of \$ [REDACTED] resulting in a net benefit amount of \$ [REDACTED]. Department Exhibit a-c.

Previously, the Claimant had qualified for the heat and utility standard of \$ [REDACTED] even though she did not pay any utilities. However, a recent change in policy resulted in the loss of the deduction of \$ [REDACTED] since the Claimant was not paying a [REDACTED]. The Department has met its burden that the Claimant had excess income for FAP resulting in a decrease in FAP benefits from \$ [REDACTED] to \$15. BEM 500, 503, and 550.

The Administrative Law Judge, based upon 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 due to the loss of the heat and utility deduction of \$ [REDACTED] that resulted in a decrease in FAP benefits from \$ [REDACTED] to \$ [REDACTED].

**DECISION AND ORDER**

Accordingly, the Department's decision is  AFFIRMED.

*Carmen G. Fahie*

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Carmen G. Fahie  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **8/14/2014**

Date Mailed: **8/14/2014**

**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

CGF/tb

cc:

