

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

**IN THE MATTER OF:**

██████████  
████████████████████  
████████████████████

Reg. No.: 14 007069  
Issue No(s): 3001  
Case No.: ██████████  
Hearing Date: September 8, 2014  
County: Pathway to Potential (Wayne)

**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 September 8, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████, Pathways to Potential Worker.

**ISSUE**

Did the Department properly determine Claimant's eligibility for 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. On July 2, 2014, Claimant completed a Semi Annual Contact Report.
2. Claimant also submitted paystubs for her husband and son.
3. On July 2, 2014, the Department sent Claimant a Notice of Case Action notifying her that she had been approved for FAP benefits in the amount of \$393.00 monthly.
4. On July 15, 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, Claimant requested a hearing protesting the amount of her FAP benefits as she believed \$393.00 per month was insufficient to meet her household needs. On July 2, 2014, Claimant completed a Semi Annual Contact Report. Prior to the completed the Semi Annual Contact Report, Claimant had been receiving \$551.00 per month in FAP benefits. Claimant also submitted her husband's and son's paystubs.

The Department presented a budget in which it showed that the earned income for the household was \$3,186.00. To determine this amount, the Department stated that it used Claimant's husband's paystubs and determined that his gross monthly income was \$2,604.81. Additionally, the Department stated that it estimated Claimant's son's income and determined that his gross monthly income was \$572.76. Adding the two incomes together, the gross household income should have been \$3,177.54 and not \$3,186.00. The Department was unable to provide an explanation for the discrepancy.

The Department testified that on the Semi Annual Contact Report, Claimant indicated that her son was working approximately 18-20 hours per week at a rate of \$7.40 per hour. The Department further testified that it did not use the gross income amount on Claimant's son's paystub because it believed that the first paystub is not always reflective of actual pay. As such, the Department stated that it estimated Claimant's gross income using \$7.40 per hour at 18 hours per week. The Department was unable to articulate what policy it relied on in estimating earnings instead of using actual earnings. Claimant testified that there were times during her son's one month employment that he actually earned less than what appeared on the submitted paystub. Because the Department used estimated income instead of actual income and was unable to state how it arrived at the household gross income amount, it is found that the Department failed to properly calculate Claimant's eligibility for 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 policy when it determined that Claimant was eligible for \$393.00 per month based on incorrect gross monthly income amount.

**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 FAP benefits from August 1, 2014, ongoing;
2. Issue FAP supplements that Claimant was eligible to receive but did not from August 1, 2014, ongoing; and
3. Generate and mail a Notice of Case Action to Claimant indicating the eligibility amount for FAP benefits from August 1, 2014, ongoing.



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

Date Signed: September 11, 2014

Date Mailed: September 11, 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.

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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]  
[REDACTED]