

**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.: 14-009525
Issue No.: 1001, 3001
Case No.: ██████████
Hearing Date: September 18, 2014
County: WAYNE (17)

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 18, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and ██████████ Interpreter. Participants on behalf of the Department of Human Services (Department) included ██████████, Family Independence Specialist Case Manager.

ISSUE

Did the Department properly issue Family Independence Program (FIP) supplement and Family Assistance Program (FAP) supplements to Claimant for June 2014 and July 2014?

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 19, 2014, a hearing was held regarding Claimant's failure to participate in employment-related activities.
3. On June 26, 2014, the Administrative Law Judge issued an order requiring the Department to reinstate Claimant's FIP and FAP benefits effective June 1, 2014 and to issue supplements.
4. The Department reinstated Claimant's FIP and FAP benefits and issued FIP supplements in accordance with the June 26, 2014 order.

5. The Department failed to issue FIP supplements in accordance with the June 26, 2014 order.
6. On July 29, 2014, August 7, 2014 and August 21, 2014, the Department sent Claimant Notices of Case Action notifying of increases and decreases in his FAP benefits.
7. On August 11, 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 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.

The Department sent Claimant a Notice of Case Action on July 29, 2014 notifying him that the group would receive \$618 per month in FIP benefits and \$832 per month in FAP benefits. However, on August 7, 2014, the Department sent Claimant another Notice of Case informing Claimant that he would receive \$618 per month in FIP benefits and \$503 per month in FAP benefits. Also on August 21, 2014, the Department sent Claimant another Notice of Case Action notifying him that his benefits would increase to \$832 effective September 1, 2014. Claimant expressed his frustration at receiving so many Notices of Case Action. The Department acknowledged that there had been several changes to Claimant's benefits in a short period of time.

Claimant testified that he did not dispute the amount of his current FIP and FAP benefits. Claimant's dispute centered on supplements that he believed he was eligible to receive following an Administrative Hearing held on June 19, 2014 hearing. The order following that hearing required the Department to issue supplements to Claimant

for missed payments. Claimant received the maximum FAP benefits in June and July 2014. Therefore, it is found that the Department properly issued supplements in June and July 2014.

Regarding Claimant's FIP benefits for June and July 2014, Claimant believed he was entitled to supplements. Supplemental benefits are issued to correct an underissuance. BAM 405 (July 2013), p. 1. Claimant received \$541 in FIP benefits in June and July 2014. The Department testified that following the June 19, 2014 hearing, it recalculated Claimant's eligibility for benefits in accordance with the order. In doing so, the Department discovered that it had failed to include Claimant's earned income relating to benefits issued prior to the June 19, 2014 hearing.

The Department determined that once Claimant's earned income was considered, the group was eligible to receive \$541 per month in FIP benefits and \$615 in FAP benefits. Prior to the July hearing without the earned income included, the group had been receiving \$828 per month in FIP benefits and \$902 in FAP benefits. Claimant's daughter was born on July 21, 2014. As a result of the baby being added to the group and considering Claimant's earned income, Claimant's benefits increased to the current amount of \$618 per month in FIP benefits and \$832 per month in FAP benefits.

The Department failed to provide a budget of Claimant's income with and without the earned income, except the partial budgets contained in the various Notices of Case Action. The Department did not provide the paystubs upon which it based its calculations to reduce Claimant's benefits following the June 19, 2014 hearing. Accordingly, there is no way for the undersigned to determine if the Department properly reduced Claimant's benefits which it used in determining that Claimant was not entitled to the supplements ordered at the prior hearing.

Further, the June 2014 order required the Department to reinstate Claimant's FIP case and restore Claimant's FAP benefits effective June 1, 2014. Accordingly, the Department was required to issue FIP benefits in the same amount prior to the change. The Department failed to do so as it confirmed that it issued FIP benefits in the amount of \$541 in June and July 2014 instead of the \$828 in FIP benefits that he was receiving prior to the change. The Department cannot rely on the recalculation of benefits which included Claimant's earned income because the Notice of Case Action associated with that change stated that the change was effective beginning September 1, 2014 and therefore could not have affected Claimant's June and July 2014 benefits. Accordingly, it is found that the Department failed to follow the order issued following the June 19, 2014 hearing.

Additionally, at the September 18, 2014 hearing, the Department testified that it continued Claimant's FAP benefits at the same amount prior to the June 19, 2014 hearing but did not continue Claimant's FIP benefits at the same amount prior to the June 19, 2014 hearing because Claimant was one day late in filing his hearing request. However, the June 19, 2014 hearing was held based upon Claimant's May 8, 2014

Request for Hearing which related to a Notice of Case Action issued on April 29, 2014. May 8, 2014 was exactly 10 days from the April 29, 2014 Notice of Case Action date. Therefore, the Department should have continued Claimant's FIP benefits at the same amount prior to the June 19, 2014 hearing.

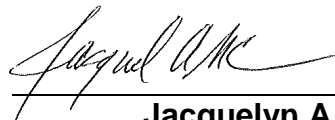
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did act in accordance with policy when it issue FAP supplements to Claimant for June and July 2014. However, it is found that the Department did not act in accordance with policy when it failed to issue FIP supplements to Claimant for June and July 2014.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED** in part and **REVERSED** in part.

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. Issue FIP supplements to Claimant in the amount of \$287 for both June 2014 and July 2014.



Jacquelyn A. McClinton
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **9/26/2014**

Date Mailed: **9/26/2014**

JAM / cl

