

**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.: 14-010492
Issue No.: 3001, 4001, 5001
Case No.: ██████████
Hearing Date: September 24, 2014
County: WAYNE (35)

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 24, 2014, from Detroit, Michigan. Participants on behalf of Claimant included ██████████ Claimant's Authorized Hearing Representative (AHR)/Husband. Participants on behalf of the Department of Human Services (Department) included ██████████, Hearing Facilitator.

ISSUE

Did the Department properly determine Claimant's eligibility for Food Assistance Program (FAP) benefits?

Did the Department properly deny Claimant's application for State Disability Assistance (SDA) benefits?

Did the Department properly deny Claimant's application for State Emergency Relief (SER) 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 or about June 30, 2014, Claimant's AHR applied for FAP, SDA and SER benefits.
2. Claimant's AHR failed to complete the second required SER application and SER benefits were not authorized.

3. Claimant receives \$1,236 per month in benefits from the Social Security Administration.
4. Claimant's income exceeds the allowable limit to receive SDA benefits.
5. On July 2, 2014, the Department sent Claimant a Notice of Case Action notifying Claimant she had been approved for \$15 per month in FAP benefits.
6. On August 18, 2014, Claimant's AHR 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.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Family Independence Agency) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001 through R 400.7049.

SER

On June 30, 2014, Claimant completed the DHS application requesting SDA, FAP and SER benefits. The DHS application instructed Claimant to complete a separate application for SER benefits, which could be completed online or at the local DHS office. Claimant stated that he did not read the information regarding the additional SER application and believed that he had completed the process with the initial application. Department policy holds that incomplete applications may be filed but must be completed before authorizing SER. ERM 103 (October 2013), p. 1. Claimant's SER was not authorized because he failed to complete the application. Therefore, it is found that the Department properly denied Claimant's request for SER.

SDA

Department policy hold that the SDA payment amount is determined when the maximum Income received by the group is subtracted from the payment standard. BEM (July 2013), p. 1. The payment standard for an individual and spouse is \$315. RFT 225 (December 2013), p. 1. In this case, Claimant receives \$1,236 per month from the Social Security Administration. When the certified group's income of \$1,236 is subtracted from the payment standard of \$315, there is a remaining income amount of \$921. Department policy states that financial need exists if there is at least a \$10 deficit after income is budgeted. Further, if there is no deficit, the group is ineligible for assistance. BEM 518 (July 2013), p. 3. Because there was no deficit after Claimant's income was subtracted from the payment standard, the Department properly denied Claimant's application for SDA benefits.

FAP

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2014), p. 1. The Department presented a budget which showed the total unearned income for the group as \$1,236. Claimant's AHR stated that he indicated on the application medical expenses in the amount of \$350 for Claimant and \$125 for himself. The Department acknowledged that these amounts were listed on the application as well as the various types of expenses incurred. The Department allowed a medical deduction in the amount of \$70. The Department was unable to explain how it arrived at this amount. Verifications are used to establish the accuracy of the client's verbal or written statements. *Id.* The Department provided no evidence that verifications were sent requesting proof of expenses. Because the Department did not accept the information relating to medical expenses contained on the application and did not send any verifications requesting proof of medical expenses, 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 acted in accordance with Department policy when it denied Claimant's application for SER and SDA benefits. It is further found that the Department did not act in accordance with policy when it determined Claimant's eligibility for FAP benefits without including eligible medical expenses.

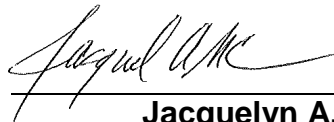
DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED** in part or **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. Reregister and reprocess Claimant's June 30, 2014 application for FAP benefits;
2. Issue FAP supplements to Claimant relating to the June 30, 2014 application; and
3. Notify Claimant in writing with a Notice of Case Action of its decision regarding eligibility for FAP benefits.



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

Date Signed: **10/3/2014**

Date Mailed: **10/3/2014**

JAM / cl

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:

[REDACTED]