

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

**IN THE MATTER OF:**

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

Reg. No.: 14-011257  
Issue No.: 3008  
Case No.: ██████████  
Hearing Date: October 6, 2014  
County: Wayne (15-Greydale)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 October 6, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant ██████████. Participants on behalf of the Department of Human Services (Department) included ██████████

**ISSUE**

Did the Department properly process a reported income change to affect Claimant's 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 recipient of FAP benefits.
2. Her FAP group consists of Claimant, her husband, and their minor child.
3. In July 2014, Claimant informed her Department worker that her husband's employment hours would be decreasing.
4. On August 2014, Claimant's husband's employment hours were reduced.
5. On September 5, 2014, Claimant provided the Department with her husband's pay stubs for August 22, 2014, and September 5, 2014, and was advised that any FAP benefit changes would not take effect prior to October 2014.

6. On September 8, 2014, Claimant filed a request for hearing disputing the effective date of change.

### **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, in her September 8, 2014, request for hearing, Claimant contended that she was eligible for an increase in FAP benefits prior to October 2014 based on her husband's reduced employment income that began in August 2014.

Income decreases that result in a benefit increase must be effective no later than the first allotment issued 10 days after the date the change was reported, provided necessary verification was returned by the due date. BEM 505 (July 2014), p. 10. Changes may be reported in person, by mail or by telephone. BAM 105 (October 2014), p. 11. A change cannot be processed for a month earlier than the month the change occurred. BEM 505, p. 10.

In this case, Claimant credibly testified that she informed her caseworker in July 2014 that her husband's employment hours would be decreasing in August 2014 because he was going to be attending school part-time. Claimant could not clearly identify when in July she advised her worker of the anticipated income change. The Department worker did not deny that Claimant may have advised her of the impending change in July 2014 but contended that the change could not be processed until it received 30 days' worth of employment income showing the reduced hours. The evidence established that Claimant submitted to the Department on September 5, 2014, two of her husband's paystubs reflecting the decreased pay, one dated August 22, 2014, the other dated September 5, 2014. The Department testified the reported change was processed to affect October 2014 ongoing FAP benefits.

While the Department is entitled to verification of income changes, if verification is timely provided, the change must still affect the correct issuance month. See BEM 505, pp. 10, 13. In this case, where Claimant reported an income decrease in July 2014 and there was no evidence that the Department requested verification of the decrease, the Department was required to affect the report change to affect the first allotment issued

10 days after the date the change was reported. Assuming that Claimant notified the Department of her husband's reduced work hours in late July 2014, the change would affect Claimant's September 2014 FAP benefits.

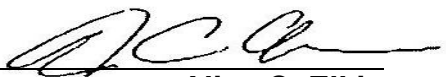
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it failed to process an income change to affect Claimant's September 2014 FAP benefits.

### **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. Recalculate Claimant's FAP budget for September 2014;
2. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not for September 2014; and
3. Notify Claimant in writing of its decision.

  
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**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **10/9/2014**

Date Mailed: **10/9/2014**

ACE / pf

**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]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]