

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-015257  
Issue No.: 2000, 7001, 3001, 1007  
Case No.: [REDACTED]  
Hearing Date: January 5, 2015  
County: Wayne (76)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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, an in-person hearing was held on January 5, 2014 from Detroit, Michigan. Participants included the above-named Claimant. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Supervisor, and [REDACTED] Specialist.

**ISSUES**

The first issue is whether Claimant is potentially eligible for assistance in purchasing furniture.

The second issue is whether DHS properly denied Claimant for assistance with a vehicle purchase for the reason that Claimant was not employed.

The third issue is whether DHS properly determined Claimant's Food Assistance Program (FAP) eligibility.

The fourth issue is whether DHS properly terminated Claimant's Family Independence Program (FIP) eligibility due to an alleged failure to complete a Family Self-Sufficiency Plan (FSSP).

**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 an unspecified date, Claimant requested assistance from DHS for furniture and vehicle purchases.
2. Claimant was an ongoing FAP and FIP benefit recipient.
3. On an unspecified date, DHS advised Claimant that DHS offers no furniture purchase assistance.
4. On an unspecified date, DHS denied Claimant's request for vehicle purchase because Claimant was not employed.
5. On [REDACTED] DHS mailed Claimant a FAST Referred Notice (Exhibits 3-4).
6. On [REDACTED], DHS mailed a Notice of Case Action (Exhibits 1-2) to Claimant informing Claimant of a termination of Claimant's FIP eligibility, effective 10/2014, due to Claimant's failure to complete a FSSP.
7. DHS issued \$291 in FAP benefits to Claimant for 10/2014.
8. On [REDACTED], DHS mailed a Notice of Case Action (Exhibits 6-7) to Claimant informing Claimant of a reduction of FAP benefits to \$182, effective 11/2014.
9. On [REDACTED], Claimant requested a hearing to dispute the following: denied furniture purchase, denied vehicle purchase, FIP termination, and FAP benefit amounts for 10/2014 and 11/2014.

### **CONCLUSIONS OF LAW**

Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant requested a hearing, in part to dispute Medicaid eligibility. Claimant testified that she has no ongoing dispute concerning Medicaid eligibility. Claimant's request is appropriately dismissed.

Direct Support Services (DSS) is established by the Social Welfare Act, MCL 400.1-.119b. The program is administered by the Department pursuant to MCL 400.10 and 400.57a and Mich Admin Code R 400.3603. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant testified that she requested a hearing, in part, due to a DHS failure to assist Claimant with purchasing furniture. Claimant testified that DHS assisted her with a furniture purchase in 2001 but could not identify any current DHS programs authorizing furniture purchase assistance. DHS does not offer any program entitling clients to furniture purchases. Claimant's dispute concerning furniture purchase is appropriately dismissed.

Claimant also requested a hearing, in part, due to a DHS' failure to assist with a vehicle purchase. It was not disputed that DHS denied Claimant's vehicle purchase request because Claimant was not employed.

A vehicle may be purchased for a currently employed client if the client needs a vehicle to accept a verified offer of a better job; or needs a vehicle to retain current employment; and has a demonstrated ability to maintain a job. BEM 232 (10/2014), p. 16. A vehicle may be purchased for a client who is not currently employed if the client has a demonstrated ability to maintain a job, needs a vehicle to accept a verified job offer, or needs a vehicle to participate in family self-sufficiency activities that will prepare the client for employment.

Claimant conceded that she was an SSI recipient who was not employed. Claimant testified that she wanted to utilize a vehicle to continue her volunteer work and to pursue employment as a city councilwoman. Claimant's testimony does not amount to meeting any of the employment requirements for vehicle purchase assistance. It is found that DHS properly denied Claimant's vehicle purchase request.

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 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant's hearing request stated that FAP eligibility was disputed. A specific FAP dispute was not detailed. An analysis must be undertaken to determine what Claimant's hearing request intended to dispute.

Claimant initially testified that she wanted to dispute all of the FAP benefits issued to her in 2013. Claimant later clarified that she wanted to dispute all of her 2014 FAP eligibility.

The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing. BAM 600 (10/2014), p. 6. The request must be received in the local office within the 90 days. *Id.*

It is presumed that DHS mailed Claimant a written notice before each FAP benefit month that Claimant's FAP benefit eligibility changed. Going backwards 90 days from Claimant's hearing request dated 10/21/14 would justify finding that Claimant untimely disputed her FAP eligibility for all FAP benefit months before 8/2014. Even if DHS policy allowed a review of all of Claimant's 2014 FAP eligibility, presented facts were not suggestive that Claimant's hearing request was submitted to dispute all FAP eligibility from 2014. For example, Claimant provided no testimony explaining why she would wait until 10/2014 to dispute her FAP eligibility from earlier in 2014.

Claimant's testimony suggested that she distrusted DHS and wanted to dispute every decision made by DHS. For example, Claimant testified that her complaints about DHS led to DHS being investigated for some type of wrongdoing. As proof, Claimant presented court documents (which were not admitted into evidence) from 2013 verifying that Claimant filed a lawsuit against the State of Michigan. Claimant conceded that her lawsuit was summarily dismissed. Claimant's testimony was not a reliable reference for clarifying what dispute she had concerning FAP eligibility. Claimant's FAP benefit history was a much more reliable source.

DHS provided a Benefit Summary Inquiry (Exhibit 5) which verified recent FAP benefit issuances to Claimant. The document listed recent FAP benefits issuances made to Claimant. The document verified that Claimant received \$291 in FAP benefits in 10/2014 and \$182 in FAP benefits in 11/2014.

Claimant testified that she did not receive \$291 in FAP benefits in 10/2014. It will be accepted that Claimant requested a hearing, in part, to dispute an alleged failure by DHS to issue \$291 in FAP benefits to Claimant in 10/2014.

Claimant offered no other proof other than her testimony to support her claim that she did not receive \$291 in FAP benefits for 10/2014. The Benefit Summary Inquiry was persuasive evidence that DHS issued \$291 benefits to Claimant in 10/2014. It is found that Claimant received \$291 in FAP benefits in 10/2014.

Claimant's hearing request was dated [REDACTED]. DHS mailed a Notice of Action (Exhibits 6-7) to Claimant on [REDACTED] informing Claimant of a FAP reduction beginning 11/2014. The balance of probability is that Claimant requested a hearing to dispute her FAP eligibility for 11/2014 because 11/2014 was the benefit month affected by the closest case action taken before Claimant's hearing request submission. This presumption is further supported by the fact that DHS reduced Claimant's FAP eligibility

in 11/2014. It is found that Claimant's hearing request intended to dispute her FAP eligibility beginning 11/2014.

It was not disputed that Claimant and her daughter (who recently moved in with Claimant) were FAP benefit group members. It was not disputed that Claimant received \$735/month in SSI benefits.

DHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (11/2012), p. 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, DHS considers the following expenses: child care, excess shelter (housing and utilities) up to a capped amount and court-ordered child support and arrearages paid to non-household members. For groups containing SDV members, DHS also considers the medical expenses for the SDV group member(s) and an uncapped excess shelter expense. It was not disputed that Claimant was a disabled individual.

Verified medical expenses for SDV groups, child support and day care expenses are subtracted from a client's monthly countable income. DHS applies a \$35 per month copayment to monthly medical expenses. It was not disputed that Claimant had no day-care, medical, or child support expenses.

Claimant's FAP benefit group receives a standard deduction of \$154. RFT 255 (10/2014), p. 1. The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. The standard deduction is subtracted from the countable monthly income to calculate the group's adjusted gross income. The adjusted gross income amount is found to be \$581.

Claimant testified that she paid \$150/month in rent. Claimant testified that all of her utilities are included in her rent. The total shelter obligation is calculated by adding Claimant's housing expenses to utility credits; this amount is \$150.

DHS only credits FAP benefit groups with what DHS calls an "excess shelter" expense. This expense is calculated by taking Claimant's total shelter obligation and subtracting half of Claimant's adjusted gross income. Claimant's excess shelter amount is found to be \$0 (rounding up to nearest dollar).

The FAP benefit group's net income is determined by taking the group's adjusted gross income and subtracting the allowable excess shelter expense. The FAP benefit group's net income is found to be \$581. A chart listed in RFT 260 is used to determine the proper FAP benefit issuance. Based on Claimant's group size and net income, Claimant's proper FAP benefit issuance is found to be \$182, the same amount calculated by DHS.

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42

USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant lastly requested a hearing, in part, to dispute a FIP benefit termination. It was not disputed that the FIP termination was based on Claimant's failure to complete a FSSP.

The Family Independence Program (FIP) is a temporary cash assistance program to support a family's movement to self-sufficiency. BEM 228 (7/2013), p. 1. The Family Self-Sufficiency Plan (FSSP) was created to allow DHS and other DHS client service providers to document and share information about mutual participants for optimal case management. *Id.* The FSSP identifies compliance goals and responsibilities to be met by members of the FIP group, DHS, and PATH. *Id.*

A FAST/FSSP notice, DHS-1535 or 1536 is automatically sent to applicants the night after the first run of eligibility (EDBC) for FIP. *Id.*, p. 3. All participants listed on the notice are required to complete the FAST within 30 days and the FSSP within 90 days of the notice. *Id.*

Ineligible caretakers are not recipients of FIP, although the family is receiving FIP benefits for the children. BEM 230A (10/2014), p. 18. They are not WEIs and are not referred to PATH. *Id.* Ineligible caretakers must complete a FAST and develop a FSSP for the family to reach self-sufficiency. *Id.* Failure to complete the FAST or FSSP by the due date may result in case closure for failure to provide the department with needed information. *Id.*

It was not disputed that Claimant was an ineligible caretaker because she was an SSI recipient (i.e. disabled) who did not have to attend employment-related activities. Claimant's testimony conceded that she received a FAST Referred Notice (Exhibits 3-4). Claimant's testimony conceded that she was not aware that the FAST Referred Notice informed her of a requirement to complete a FAST. Claimant's testimony conceded that she did not complete an FSSP. It is found that DHS properly terminated Claimant's FIP eligibility due to Claimant's failure to complete an FSSP.

DHS provided testimony that Claimant was advised to reapply so that FIP benefits could be restarted. It was not disputed that Claimant rejected the DHS advice. Claimant is encouraged to reapply for FIP benefits if cash assistance is still needed.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant failed to allege a DHS program for which Claimant is entitled to assistance with a furniture purchase. Claimant also has no ongoing dispute concerning Medicaid. Claimant's hearing request is **PARTIALLY DISMISSED**.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly performed the following actions: denied Claimant's vehicle purchase request, determined Claimant's FAP eligibility effective 11/2014, issued \$291 in FAP benefits to Claimant for 10/2014, and terminated Claimant's FIP eligibility (effective 11/2014). The actions taken by DHS are **AFFIRMED**.



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**Christian Gardocki**  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **1/9/2015**

Date Mailed: **1/9/2015**

CG / hw

**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 48909-8139

cc:

