

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-016845  
Issue No.: 3008  
Case No.: [REDACTED]  
Hearing Date: February 11, 2015  
County: Charlevoix

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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, telephone hearing was held on February 11, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] as hearing facilitator.

**ISSUE**

Did the Department properly reduce the Claimant's allotment of 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. The Claimant is an ongoing Food Assistance Program (FAP) recipient.
2. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED] monthly Supplemental Security Income (SSI) in the gross monthly amount of \$ [REDACTED] and monthly state Supplemental Security Income (SSP) in the gross monthly amount of \$ [REDACTED].
3. The Claimant has a monthly housing expense of \$ [REDACTED] that includes heat and electricity but not her telephone charges.
4. On November 15, 2014, the Department notified the Claimant that it would reduce her monthly allotment of Food Assistance Program (FAP) benefits to \$ [REDACTED] as of December 1, 2014.
5. On November 24, 2014, the Department received the Claimant's request for a hearing protesting the reduction of her Food Assistance Program (FAP) benefits.

## 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.

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (July 1, 2014).

For all Food Assistance Program (FAP) groups that received the heat and utility standard on or before February 7, 2014, the heat and utility standard will remain in place for a period of five months after the month of their first redetermination or first reported case change occurring on or after May 1, 2014. In order to continue receiving the heat and utility standard beyond the expiration of the five month period, the Food Assistance Program (FAP) group must meet the requirements of the mandatory heat and utility standard section. Department of Human Services Bridges Eligibility Manual (BEM) 554 (October 1, 2014), p 15.

The Claimant is an ongoing Food Assistance Program (FAP) recipient and the Department conducted a routine review of her eligibility to receive continuing benefits. The Claimant receives monthly unearned income in the total gross monthly amount of \$█ although this amount has changed since the Department's actions in this case. This amount was determined by totaling her Supplemental Security Income (SSI), state Supplemental Security Income (SSP), and Retirement, Survivors, and Disability Insurance (RSDI) income. The Claimant is responsible for housing expenses in the monthly amount of \$█ that includes heat and electricity but she is responsible for telephone charges separately.

The Claimant's adjusted gross income of \$█ was determined by subtracting the \$█ standard deduction from her total gross monthly income. The Claimant did not provide verification of any child care or allowable medical deductions over \$█ to the Department. The Claimant's excess shelter deduction of \$█ was determined by

adding her \$■■■ housing expense to the standard \$■■■ telephone deduction and subtracting 50% of her adjusted gross income.

The Claimant's net income of \$■■■ was determined by subtracting her excess shelter deduction from her adjusted gross income. A benefit group of one is entitled to a \$■■■ monthly allotment of Food Assistance Program (FAP) benefits. Department of Human Services Reference Table Manual (RFT) 260 (December 1, 2014).

The Claimant argued that she has monthly medical expenses and as a senior/disabled/veteran person they should be included in her eligibility determination. The Claimant testified that she has expenses for prescription medication not covered under her medical coverage plans that she did not have the last time the Department requested updated information about her circumstances.

A Food Assistance Program (FAP) recipient is not required to, but may voluntarily report changes during the benefit period. The Department will process changes during the benefit period only if they are one of the following:


- Voluntarily reported and verified during the benefit period such as expenses reported and verified for Medical Assistance (MA) deductible.
- Reported by another source and there is sufficient information and verification to determine the allowable amount without contacting the Food Assistance Program (FAP) group. BEM 554, p8.

No evidence was presented during the hearing that any expenses for prescription medications were reported to the Department by the Claimant or another source, or that the Department had any reason to know the Claimant had these expenses. The Department of Human Services does not manage the Claimant's medical care. The Claimant's medical expenses are managed by the Department of Community Health and the Social Security Administration, while the Department manages her eligibility for 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 reduced the Claimant's Food Assistance Program (FAP) benefits.

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.

  
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Kevin Scully  
Administrative Law Judge  
for Nick Lyon, Acting DHS Director  
Department of Human Services

Date Signed: **2/12/2015**

Date Mailed: **2/12/2015**

KS/las

**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:

