### STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

### IN THE MATTER OF:



MAHS Reg. No.: 15-Issue No.: 300 Agency Case No.: Hearing Date: Jan County: ML

15-021785 3008 January 07, 2016 MUSKEGON

### 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 January 07, 2016, from Lansing, Michigan. Participants on behalf of Claimant included for the Department of Health and Human Services (Department). Witnesses on behalf of the Department included

#### <u>ISSUE</u>

Did the Department of Health and Human Services (Department) properly determine the Claimant's Food Assistance Program (FAP) eligibility?

#### 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. On September 28, 2015, the Department received the Claimant's completed Redetermination (DHS-1010) form where he reported having monthly shelter expenses for gas, water, light, taxes, and home repairs.
- 3. The Claimant receives monthly unearned income in the gross monthly amount of
- 4. On October 29, 2015, the Department notified the Claimant that he was approved for a **solution** monthly allotment of Food Assistance Program (FAP) benefits effective November 1, 2015.

5. On November 16, 2015, the Department received the Claimant's request for a hearing protesting her monthly allotment of Food Assistance Program (FAP) benefits.

# CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, 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 Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

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 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, 2015).

Verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, remove the old expense until the new expense is verified. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (October 1, 2015), p 14.

The Claimant is an ongoing FAP recipient as a group of one. The Claimant received unearned income in the gross monthly amount of **\$** an amount not disputed during the hearing. The Claimant's adjusted gross income of **\$** was determined by reducing his total income by the **\$** and and deduction.

The Claimant is entitled to a **shell** shelter deduction, which was determined by adding his **shell** prorated monthly properly tax obligation to the **shell** heat and utility deduction, then subtracting 50% of his adjusted gross income.

The Claimant previously paid rent to live in his home when it was owned by his father. Since then, his father has passed away leaving the home to the Claimant. Therefore, the Department properly removed the rent payment from the Claimant's countable expenses. The Claimant remains eligible for the heat and utility deduction as well as his property taxes, but Department policy does not allow for home repairs as allowable expenses towards FAP eligibility.

The Claimant's net income of **\$** was determined by subtracting his shelter deduction from his adjusted gross income. A group of one with a net income of **\$** is entitled to a **\$** monthly allotment of 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 determined the Claimant's Food Assistance Program (FAP) eligibility as of November 1, 2015.

# DECISION AND ORDER

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

Kevin Scul

Kevin Scully Administrative Law Judge for Nick Lyon, Director Department of Health and Human Services

Date Mailed: 1/11/2016

KS/nr

**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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from MAHS within 30 days of the mailing date of this Hearing Decision, or MAHS <u>MAY</u> order a rehearing or reconsideration on its own motion. MAHS <u>MAY</u> 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

