RICK SNYDER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM Christopher Seppanen Executive Director

MIKE ZIMMER DIRECTOR



Date Mailed: April 13, 2016 MAHS Docket No.: 15-025441 Agency No.: Petitioner:

# ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

### HEARING DECISION

Following Petitioner'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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on April 7, 2016, from Detroit, Michigan. The Petitioner was represented by Petitioner. The Department of Health and Human Services (Department) was represented by Hearing Facilitator.

#### ISSUE

Did the Department properly reduce Petitioner's FAP benefits effective July 1, 2015?

### 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 **Construction**, Petitioner submitted a change report which indicated that she was no longer receiving rent payments from her mother and that she had started new employment.
- 2. The Department failed to timely act on Petitioner's change report.
- 3. On the Department sent Petitioner a Notice of Case Action notifying her that her FAP benefits would be reduced effective
- 4. On performance, Petitioner filed a Request for Hearing disputing the Department's actions.

## 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.

Under Department policy, clients must report changes in circumstance that potentially affect eligibility or benefit amount. Changes must be reported within 10 days of receiving the first payment reflecting the change. BAM 105 (January 2015), p. 10. In this case, Petitioner's mother was remitting rent payments to Petitioner. Petitioner received the last rent payment from her mother on the Department on the Change report, Petitioner also reported that she began new employment.

The Department acknowledged that it failed to act on Petitioner's change report until when it mailed Petitioner a Notice of Case Action informing her that her FAP benefits would be reduced effective **Case Action**. The Department testified that the reduction was caused when Petitioner's income was budgeted, her mother's rent payments were budgeted, and Petitioner's RSDI income was also budgeted. The Department acknowledged that the rent payments should not have been included in the budget since the last payment was received on **Case Action**.

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 timely act on the information contained in Petitioner's change report and subsequently reduced her 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. Reinstate and redetermine Petitioner's eligibility for FAP benefits based upon the change report submitted on **equivalent submitted**;
- 2. Issue FAP supplements to Petitioner that she was eligible to receive but did not based upon her **constant and change** report.
- 3. Notify Petitioner in writing of its decision.

JM/hw

**Jacquelyn A. McClinton** Administrative Law Judge for Nick Lyon, Director Department of Health and Human Services

**NOTICE OF APPEAL**: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

Page 4 of 4 15-025441 <u>JM</u>/hw

# DHHS

Petitioner

