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 15, 2016 MAHS Docket No.: 16-003373

Agency No.:
Petitioner:

# ADMINISTRATIVE LAW JUDGE: Kevin Scully

## **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. After due notice, telephone hearing was held on April 13, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included (Hearing Facilitator) represented the Department of Health and Human Services (Department).

#### ISSUE

Did the Department of Health and Human Services (Department) properly reduce the Petitioner's monthly 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 Petitioner is an ongoing Food Assistance Program (FAP) recipient as a group of one.
- 2. On February 29, 2016, the Petitioner submitted a completed Redetermination (DHS-1010) form reporting a change of household expenses. Exhibit A
- On February 29, 2016, the Department sent the Petitioner a Verification Checklist (DHS-3503) and Shelter Verification (DHS-3688) requesting verification of her monthly housing expenses by March 10, 2016. Exhibit B.
- 4. On March 9, 2016, the Department received an e-mail from the Petitioner's landlord indicating that her monthly rent expenses is \$\frac{1}{2}\$ Exhibit C.

- 5. On March 11, 2016, the Department notified the Petitioner that it would reduce her monthly allotment of Food Assistance Program (FAP) benefits to \$\frac{1}{2}\$ after removing the heat and utility deduction from her FAP budget. Exhibit D.
- 6. The Petitioner receives monthly Supplemental Security Income (SSI) and State Supplemental Security Income (SSP) in the total gross monthly amount of \$\frac{1}{2}\text{Exhibit E.}
- 7. On March 14, 2016, the Department received the Petitioner's request for a hearing.

## **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.

The Department will verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, it will 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 Petitioner was an ongoing FAP recipient as a group of one when she reported a change of her household expenses on a Redetermination (DHS-1010) form on February 29, 2016. Based on this information, the Department requested that the Petitioner provide verification of her monthly housing expenses by March 10, 2016. The Department received verification of her monthly rent expenses, but no verification that she is responsible for utilities at her home. On March 11, 2016, the Department removed the head and utility deduction from its determination of her eligibility for FAP benefits and reduced her monthly allotment of FAP benefits to \$\frac{1}{2}\$

The Petitioner testified that she had relied on her landlord to provide the Department with verification of her obligation to pay for utilities separate from her monthly rent, but that he must have forgotten. The Petitioner testified that she provided the Department with a copy of her bank statement as verification of her obligation to pay for utilities.

This Administrative Law Judge finds that the Petitioner had a duty to provide the Department with verification of her monthly utility obligation that could not be delegated

to a third party. Furthermore, a bank statement showing expenditures to a utility company is insufficient to verify a housing expense obligation.

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 removed the unverified heat and utility deduction from the Petitioner's case, which reduced her monthly allotment of Food Assistance Program (FAP) benefits to \$\frac{1}{2}\$

# **DECISION AND ORDER**

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

KS/las

**Kevin Scully** 

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 **DHHS** 

**Petitioner**