



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: June 15, 2016
MAHS Docket No.: 16-006191
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Eric J. Feldman

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 June 8, 2016, from Detroit, Michigan. The Petitioner was represented by [REDACTED] (Petitioner). The Department of Health and Human Services (Department) was represented by [REDACTED], Hearings Facilitator.

ISSUES

Did the Department properly process Petitioner's change report (change in shelter expenses and utility expenses)?

Did the Department properly process Petitioner's reported member adds (two of her adult children)?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner is an ongoing recipient of FAP benefits. See Exhibit A, pp. 7-8.
2. On or around late January 2016 or early February 2016, Petitioner reported to the Department shelter and utility expenses.
3. On [REDACTED], Petitioner emailed the Department a copy of a rent receipt and a [REDACTED] bill. See Exhibit A, p. 1.

4. Prior to the reported change, Petitioner received a monthly FAP allotment of \$16. See Exhibit A, p. 7.
5. The Department processed Petitioner's reported change in shelter and utility expenses, which resulted in her FAP allotment increasing to the maximum \$194 allotment allowed for a group size of one effective [REDACTED], ongoing (\$178 supplement issued for each benefit month from March 2016 to May 2016 plus Petitioner's original \$16 allotment). See Exhibit A, p. 7.
6. On [REDACTED], Petitioner reported that her adult children were returning back from college and requested that they be added to the FAP group, which would result in a group size of three. See Exhibit A, p. 1.
7. The Department indicated that her adult children were not added to the FAP group because they were not student status eligible. See Exhibit A, p. 1.
8. On [REDACTED], Petitioner filed a hearing request, protesting the Department's action.
9. Effective [REDACTED], Petitioner's FAP group increased to three due to her FAP allotment increasing to \$511. See Exhibit A, p. 7.

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.

Preliminary matter

As a preliminary matter, Petitioner filed a hearing request to dispute the following: (i) the Department's failure to act on her reported change of shelter expenses and utility expenses; and (ii) the Department's failure to add her adult children to the FAP group. See Exhibit A, p. 2. The undersigned addressed each issue separately below:

Shelter and utility expenses

First, Petitioner filed a hearing request in which she disputed the Department's failure to act on her reported change (shelter expenses and utility expenses). See Exhibit A, p. 2. In or around late January 2016 or early February 2016, Petitioner testified that she reported shelter and utility expenses to the Department. On [REDACTED], Petitioner emailed the Department a copy of a rent receipt and a [REDACTED] bill. See Exhibit A, p. 1. The Department processed Petitioner's reported change in shelter and utility expenses, which resulted in her FAP allotment increasing to the maximum \$194 allotment allowed for a group size of one effective [REDACTED], ongoing. The Department did not process the reported change right away and instead issued Petitioner supplements in the amount of \$178 on [REDACTED]. See Exhibit A, p. 7. When the undersigned adds the \$178 supplement to Petitioner's original \$16 allotment, the result is a total FAP allotment of \$194 for a group size of one. See Exhibit A, p. 7. RFT 260 indicates that the maximum FAP allotment for a group size of one is \$194. See RFT 260 (October 2015), p. 1.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount. BAM 105 (July 2015), p. 10. Other changes must be reported within 10 days after the client is aware of them. BAM 105, p. 11. These include, but are not limited to, changes in address and shelter cost changes that result from the move. BAM 105, p. 11. For FAP cases, the Department acts on a change reported by means other than a tape match within 10 days of becoming aware of the change. BAM 220 (January 2016), p. 7. Changes which result in an increase in the household's benefits must be effective no later than the first allotment issued 10 days after the date the change was reported, provided any necessary verification was returned by the due date. BAM 220, p. 7. A supplemental issuance may be necessary in some cases. BAM 220, p. 7. If necessary verification is not returned by the due date, take appropriate action based on what type of verification was requested. BAM 220, p. 7. If verification is returned late, the increase must affect the month after verification is returned. BAM 220, p. 7.

Based on the foregoing information and evidence, the Department properly processed Petitioner's reported change in shelter and utility expenses, which resulted in her benefits increasing effective [REDACTED]. Yes, the Department did not process the reported change immediately, but, the Department ultimately processed the change report. See Exhibit A, pp 7. In the present case, Petitioner reported in late January 2016 or early February 2016 shelter and utility expenses. The Department had to act on this change by early February 2016. March 2016 benefits was the first month affected because the 10th day after the change was reported fell in the next benefit period. BAM 220, p. 7. Moreover, Petitioner provided verification of the expenses in early February 2016 as well. See Exhibit A, p. 1. Thus, the Department properly acted on the reported changes and increased her benefits effective March 2016, which also resulted in Petitioner receiving the maximum allotment allowed for a group size of one. See BAM 105, pp. 10-11; BAM 220, p. 7; and RFT 260, p. 1.

Member adds

Petitioner also filed a hearing request in which she disputed the Department's failure to add her adult children to the FAP group. See Exhibit A, p. 2.

A member add that increases benefits is effective the month after it is reported or, if the new member left another group, the month after the member delete. BEM 212 (October 2015), p. 9. In determining the potential FAP benefit increase, Bridges assumes the FIP/SDA supplement and new grant amount have been authorized. BEM 212, p. 9.

During the hearing, Petitioner testified that she left a voicemail to her caseworker in April 2016 reporting that her adult children were returning back from college, and requested that they be added to the FAP group. However, the Department testified that Petitioner reported this change on [REDACTED]. See Exhibit A, p. 1 (Hearing Summary). Petitioner failed to provide any evidence showing that she contacted the Department in April 2016 to report the member adds. As such, the undersigned finds that Petitioner reported the member adds on [REDACTED], which would affect the benefit period beginning June 2016 (the month after it is reported). Nonetheless, the Department argued that the adult children were not added to the group because they were not student status eligible. Specifically, the Department referenced BEM 245, School Attendance and Student Status, which stated the following:

The person remains in student status while attending classes regularly. Student status continues during official school vacations and periods of extended illness. Student status does not continue if the student is suspended or does not intend to register for the next school term (excluding summer term).

BEM 245 (April 2016), p. 5.

Petitioner acknowledged that her adult children intended to register for the next school term (Fall 2016), which meant that the adult children had to meet the student status eligibility requirements in order to be eligible for assistance. See BEM 245, pp. 1-5. If not, then the adult children would not be able to be added to the FAP group.

At the hearing, based on Petitioner's testimony, her adult children did not meet certain criteria in order for them to be student status eligible. See BEM 245, pp. 3-5 (i.e., they were not employed for 20 hours per week and paid for such employment). Nonetheless, the Department increased Petitioner's group size to three effective [REDACTED]. See Exhibit A, p. 7. As part of the evidence record, the Department presented Petitioner's Benefit Summary Inquiry, which showed that Petitioner's benefits increased from \$194 in May 2016 to \$511 in June 2016. See Exhibit A, p. 7. RFT 260 states that the maximum FAP allotment for a group size of three is \$511. See RFT 260, p. 1. Thus, the undersigned infers from the evidence that the Department added the adult children to the FAP group. This evidence is contrary to the Department's testimony in which they stated the adult children were not added to the FAP group. Even though the Department argued that the adult children were not eligible to be added to the group composition, the evidence is persuasive to conclude that the Department processed the

member adds anyways. This resulted in Petitioner's FAP group increasing to three effective June 2016 and Petitioner receiving the maximum allotment. See Exhibit A, p. 7; BEM 212, p. 9; and RFT 260, p. 1.

Based on the foregoing information and evidence, Petitioner's FAP hearing request in regards to the member add issue is **DISMISSED** because of the Department's subsequent action of adding her adult children to the FAP group. There is nothing further for the undersigned to address as the Department addressed Petitioner's disputes listed in her hearing request. See BAM 600 (October 2015), pp. 1-6.

DECISION AND ORDER

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 (i) the Department acted in accordance with Department policy when it properly processed Petitioner's reported change in shelter and utility expenses to affect her March 2016, ongoing, FAP benefits; and (ii) Petitioner's FAP hearing request in regards to the member add is dismissed as the Department subsequently processed the request.

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

EF/hw



Eric J. Feldman

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

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]