RICK SNYDER GOVERNOR

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

SHELLY EDGERTON DIRECTOR



Date Mailed:
MAHS Docket No.:
Agency No.: 100097498
Petitioner:

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

## **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 from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by hearing facilitator, and

# <u>ISSUE</u>

The issue is whether MDHHS properly determined Petitioner's Family Independence Program (FIP) 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. Petitioner was an ongoing Family Independence Program (FIP) benefit recipient.
- 2. Petitioner was part of a household that included 4 minor children.
- 3. One of Petitioner's minor children was a recipient of Supplemental Security Income (SSI).
- 4. Petitioner received \$188 in direct child support income.

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- 5. On MDHHS issued a written notice that Petitioner was eligible to receive \$459 in FIP benefits, effective support received by Petitioner.
- 6. On Program (FAP) eligibility.
- Petitioner testified she no longer has a FAP benefit dispute.

### CONCLUSIONS OF LAW

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. MDHHS (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. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing, in part, to dispute a reduction in FAP benefits to \$354/month. MDHHS presented a Notice of Case Action (Exhibit 1, pp. 1-5) dated. The written notice stated Petitioner was to receive \$354 in FAP benefits in MDHHS testimony indicated Petitioner's FAP eligibility for was subsequently updated. The result of the updated determination was that MDHHS issued \$561 in FAP benefits to Petitioner for

Petitioner testimony eventually conceded she had no ongoing dispute concerning FAP eligibility. Petitioner's testimony equated to a partial withdrawal of her hearing request. Petitioner's dispute concerning FAP benefits will be dismissed due to Petitioner's withdrawal of her dispute.

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. MDHHS (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing, in part, to dispute FIP eligibility. MDHHS testimony indicated Petitioner received \$597 in FIP benefits for the stated amount indicated Petitioner would receive \$459 in FIP benefits for the stated amount matched the determination from the written notice dated to the was unsatisfactory.

MDHHS factored a FIP group size of 4 persons. Petitioner testimony implied MDHHS should have factored a group size of 5 persons to account for herself and her 4 minor children.

A FIP EDG member, who receives SSI, has a FIP EDG participation status of Other Adult or Other Child. BEM 210 p. 1. The income, assets and needs of an SSI recipient are not considered in determining eligibility for the FIP EDG. *Id*.

It was not disputed that one of Petitioner's children was an SSI recipient. Thus, Petitioner is left with a FIP group size of 4 persons (herself and 3 children). It is found MDHHS properly determined Petitioner's FIP group composition.

The analysis will proceed to evaluate FIP income and expenses. BEM 515, BEM 518, and BEM 520 provide guidance on how the FIP calculation is determined.

The only income factored by MDHHS was \$188 in child support income. MDHHS testimony indicated Bridges (the MDHHS database) factored Petitioner received \$188 in "voluntary" or "direct" child support.

Certified support means court-ordered support payments sent to the Michigan Department of Health and Human Services (MDHHS) by the Michigan State Disbursement Unit (MiSDU). BEM 518 (MISDU), p. 2. Bridges excludes from the deficit test the amount of collections retained by the MDHHS. *Id.* Voluntary and direct child support are countable in the eligibility determination. *Id.* 

Petitioner testified she received at least \$100 in child support from the Friend of the Court. Petitioner's testimony was consistent with the MDHHS testimony. Based on presented evidence, it is found Petitioner receives \$188 in direct child support.

A child support income test is required only when the group has certified support of more than \$50. *Id.*, p. 4. Bridges automatically completes a child support income test whenever a deficit test is required and whenever a change in the amount of certified support is expected to continue. *Id.* To complete a child support income test, the group's total voluntary/direct support amounts are added to the gross monthly certified amount (for applicants, this includes the amount to be certified). *Id.* Up to \$50 from this amount is excluded. The result is added to the group's net earned and other unearned income. *Id.* Any support paid for persons not in the home is deducted from this total. *Id.* The resulting amount is compared to the eligible group's payment standard. *Id.* If the result is equal to or greater than the certified group's payment standard the group is not eligible for assistance. *Id.* 

The point of the above-cited policy is not to provide support that Petitioner passes the child support income test (this was not disputed). The point was to provide a context for policy that exempts \$50 of child support income. Subtracting \$50 from Petitioner's direct child support payment of \$188 results in \$138 in countable income.

The FIP benefit amount is calculated by determining the payment standard (i.e. the maximum FIP grant for the group size). The payment standard for Claimant's group size is \$597 (see RFT 210 ( ), p. 1). Claimant's group's countable income (\$138) is subtracted from the payment standard to determine the FIP grant. Claimant's FIP grant is found to be \$459, the same amount calculated by MDHHS.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that Petitioner withdrew her hearing request concerning FAP eligibility. Petitioner's hearing request is **PARTIALLY DISMISSED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner's FIP eligibility to be \$459 for . The actions taken by MDHHS are **AFFIRMED**.

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**Christian Gardocki** 

Administrative Law Judge for Nick Lyon, Director

Thousan Dardock

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 the state of t

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

