



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: September 29, 2016
MAHS Docket No.: 16-012227
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 September 27, 2016, from Lansing, Michigan. Petitioner represented herself. [REDACTED] JET Case Manager and [REDACTED], Eligibility Specialist, represented the Department of Health and Human Services (Department).

The Department offered the following exhibits which were admitted into evidence: Exhibit 1: Bridges Case Search-Summary (pages 1-2), Bridges Eligibility Summary (pages 3-8), Bridges FAP Gross Income Test (page 8), Bridges Unearned Income Budget Summary (pages 9-13), Paystubs (pages 14-16), Bridges Case Comments-Summary (pages 17-19), Email from Petitioner (page 20), Electronic Case File (page 21), Application for Assistance (pages 22-27), Notice of Case Action (pages 28-32), Change Report (pages 33-34), Pre-Hearing Conference Notice (page 35), Bridges FAP Notice Reasons (pages 35-36), Bridges Net Income Results (page 37-40).

Petitioner offered the following as Exhibit A: telephone records (pages 1-4).

The record closed at the conclusion of the hearing.

ISSUE

Did the Department properly deny Petitioner's application for Food Assistance Program (FAP) benefits due to excess income?

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 applied for FAP on May 16, 2016. [Exhibit 1, pp. 22-32].
2. Petitioner had a group size of 3. [Exh. 1, p. 39].
3. At the time the Department processed Petitioner's application, Petitioner was receiving monthly earned income from employment in the amount of \$ [REDACTED] and monthly unearned income from child support in the amount of \$ [REDACTED] [Exh. 1, pp. 8-16, 39].
4. On June 7, 2016, the Department mailed Petitioner a Notice of Case Action which indicated that her FAP application was denied due to excess assets. [Exh. 1, pp. 28-32].
5. Petitioner verbally requested a hearing to dispute the Department's action on or about August 29, 2016. [Hearing Summary].

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.

For FAP purposes, all earned and unearned income available to an applicant or recipient is countable. BEM 500, (1-1-2016), pp. 3-4. Earned income means income received from another person or organization or from self-employment for duties that were performed for compensation or profit. Unearned income means all income that is not earned. BEM 500, p. 4.

The Department uses gross income when determining countable income. BEM 500, p. 4. Gross income is the amount of income before any deductions such as taxes or garnishments. BEM 500, p. 4. The amount counted may be more than the client actually receives. BEM 500, p. 4.

The Department will use only available, countable income to determine eligibility. BEM 550. It will always calculate income on a calendar month basis to determine eligibility and benefit amounts and use income from a month specified in this item for the benefit month being considered. BEM 550 (10-1-2015), p. 1.

In the instant matter, Petitioner requested a hearing because she was upset about the way the Department communicated with her about her FAP case. Petitioner did not challenge the Department's calculations. The Department contends that it properly denied Petitioner's application for FAP due to excess income.

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. Petitioner provided copies of telephone records, but the records were not pertinent to the issue concerning the denial of Petitioner's FAP application due to excess income. The relevant records reveal that Petitioner was receiving monthly earned income in the amount of \$ [REDACTED] and monthly unearned income in the amount of \$ [REDACTED] during the relevant time period. [Exh. 1, p. 39]. Therefore, Petitioner's group received a total monthly income of \$ [REDACTED] which is reduced by an earned income reduction of \$ [REDACTED] which leaves a post-earned income deduction of \$ [REDACTED]. This subtracted by a standard deduction of \$ [REDACTED] leaves an adjusted gross income of \$ [REDACTED] [Exh. 1, p. 39].

A Petitioner with a group size of 3 has a maximum net income limit of \$ [REDACTED] RFT 250 (10-1-2015). Because Petitioner's net income of \$ [REDACTED] exceeded the allowable 100% net income limit of \$ [REDACTED] Petitioner is not eligible to FAP benefits for the time period in question. See RFT 260 (10-1-2015), p. 28.


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 denied Petitioner's May 16, 2016 application for FAP due to excess income.

DECISION AND ORDER

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

IT IS SO ORDERED.

CP/las



C. Adam Purnell
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]