



RICK SNYDER
GOVERNOR

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

MIKE ZIMMER
DIRECTOR

[REDACTED]

Date Mailed: March 15, 2016
MAHS Docket No.: 16-001335
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 March 09, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included [REDACTED]. [REDACTED] (Hearing Facilitator) represented the Department of Health and Human Services (Department). Witnesses on behalf of the Department included [REDACTED].

ISSUE

Did the Department of Health and Human Services (Department) properly determine the Petitioner's eligibility for the Food Assistance Program (FAP)?

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 five.
2. The Petitioner receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED]
3. The Petitioner receives monthly child support in the gross monthly amount of \$ [REDACTED]
4. The Petitioner's son receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED]

5. On December 8, 2015, the Department notified the Petitioner that it would close her Food Assistance Program (FAP) benefits effective January 1, 2016.
6. On January 21, 2016, the Department notified the Petitioner that it would reduce her monthly allotment of Food Assistance Program (FAP) benefits to \$ [REDACTED] effective February 1, 2016.
7. On February 1, 2016, the Department received the Petitioner's request for a hearing protesting the amount of benefits she is receiving.

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.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (July 1, 2015), p 8.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (July 1, 2015), pp 1-9.

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. Department of Human Services Bridges Eligibility Manual (BEM) 505 (July 1, 2014), pp 7-8.

The Petitioner was an ongoing FAP recipient when the Department closed her benefits for failure to provide the Department with information necessary to determine her eligibility to receive benefits. Later, the Department reversed this closure but determined that she was not eligible for any benefits in January of 2016, and eligible for \$█ starting February 1, 2016.

The Petitioner is an ongoing FAP recipient as a group of five. The Petitioner has a son that was born on August 13, 1997.

The Department disregards the earnings of an individual who is all of the following:

- Under age 18.
- Attending elementary, middle or high school including attending classes to obtain a GED.
- Living with someone who provides care or supervision. Department of Health and Human Services Bridges Eligibility Manual (BEM) 501 (July 1, 2014), p 2.

The son's earned income was not countable towards the group's FAP eligibility in the past but has been countable since he turned 18 years-old. While the son's income was not countable, it was not necessary to provide verification of this income.

After restoring the Petitioner's FAP benefits, it was discovered that the Petitioner had changed employers and both her income and her 18-year-old son's income had not yet been verified by the Department.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount within 10 days of receiving the first payment reflecting the change. This includes countable earned income. Department of Human Services Bridges Assistance Manual (BAM) 105 (January 1, 2015), pp 1-20.

The Petitioner and her son received a combined gross monthly income for January of \$█ and they were not entitled to the 20% earned income deduction because this income had not been reported or verified within 10 days of their change of status. The group's adjusted gross income of \$█ was determined by reducing their gross income by the \$█ standard deduction. The group is not entitled to a deduction for shelter expenses because their monthly \$█ housing expenses added to the \$█ standard heat and utility deduction is less than 50% of their adjusted gross income.

With no allowable shelter expenses, the Petitioner's net income is the same as their adjusted gross income of \$█. A group of five with a net income of \$█ is not entitled to any FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2015).

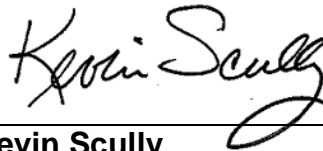
The Department restored the 20% earned income deduction for February of 2015, after receiving copies of paycheck stubs for each group member receiving countable earned income. The Petitioner is still not eligible for a shelter deduction since her shelter

expenses exceed 50% of her adjusted gross income. With the earned income deduction restored, the Department determined that the group receives a monthly net income of \$ [REDACTED]. A group of five with a net income of \$ [REDACTED] is entitled to a \$ [REDACTED] monthly allotment of FAP benefits. RFT 260.

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 determined the Petitioner's eligibility for Food Assistance Program (FAP) benefits as of January 1, 2016.

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

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]