



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: March 8, 2017  
MAHS Docket No.: 17-001692  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris**

**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 [REDACTED] [REDACTED] from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator, and [REDACTED], Eligibility Specialist.

**ISSUE**

1. Did the Department properly supplement the Petitioner for Food Assistance Program (FAP) benefits for [REDACTED]?
2. Did the Department properly process the reported change regarding Petitioner's employment ending?

**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 received FAP benefits in [REDACTED] in the amount of \$ [REDACTED] Exhibit A.
2. The Department supplemented the Petitioner's [REDACTED] FAP benefits on [REDACTED], in the amount of \$ [REDACTED]. The total benefits received for [REDACTED] were \$ [REDACTED].
3. The Petitioner received FAP benefits in the amount of \$ [REDACTED] for [REDACTED]. Exhibit A.

4. The Department issued an FAP supplement to the Petitioner on [REDACTED] in the amount of \$ [REDACTED]. The total benefits received for [REDACTED] after issuance of the FAP supplement were \$ [REDACTED]. Exhibit A.
5. The Department issued the Petitioner \$ [REDACTED] in FAP benefits for [REDACTED]. Exhibit A.
6. The Petitioner reported to the Department that she was no longer employed on [REDACTED], and provided her last paystub to the Department on [REDACTED].
7. The Department utilized the Work Number to determine when Petitioner's employment ended.
8. The Petitioner requested a timely hearing on [REDACTED], protesting the Department's actions.

### **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.

In this case, after reviewing the Benefit Issuance Summary for Petitioner's FAP benefits for [REDACTED] and [REDACTED], it was determined that the total FAP benefits issued for those months were correct. Exhibit A. Initially, the Petitioner was confused because the benefits for [REDACTED] and [REDACTED] were corrected late, in [REDACTED] for [REDACTED], and [REDACTED] for [REDACTED] and she had never been presented with the total benefits for each month. The supplements when issued were just issued to her Bridge Card. After review, it is determined that the Petitioner received all benefits she was entitled to receive for the months of [REDACTED] and [REDACTED]; and the issues with respect to those benefits were resolved at the hearing. Furthermore, because the Department did not issue the supplements until [REDACTED] and [REDACTED] and thus, the hearing request was timely based on when the supplements were issued.

The issue which remains is whether the Department properly processed the change in employment reported to the Department by the Petitioner in [REDACTED] and whether the loss of employment was properly processed to effect the Petitioner's FAP benefits.

The Department is required to act on a change involving FAP benefits reported by means other than a tap match within 10 days of becoming aware of the change. BAM 220 (January 1, 2017), p. 7. Department policy advises when changes which involve benefit increases:

**Benefit Increases:** 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. A supplemental issuance may be necessary in some cases. If necessary verification is **not** returned by the due date, take appropriate action based on what type of verification was requested. If verification is returned late, the increase must affect the month after verification is returned. BEM 220, p. 7.

### ***Stopping Income***

For stopping income, budget the final income expected to be received in the benefit month. Use the best available information to determine the amount of the last check expected. Use information from the source and from the client. Remove stopped income from the budget for future months. BEM 505 (January 1, 2016), p. 8.

### **FAP**

Income decreases that result in a benefit increase must be effective no later than the first allotment issued 10 days after the date the change was reported, provided necessary verification was returned by the due date. Do **not** process a change for a month earlier than the month the change occurred. A supplement may be necessary in some cases. BEM 505, p. 11.

In this case, the Petitioner credibly testified that she reported the loss of her employment at [REDACTED] on [REDACTED]. She further advised her worker by phone on either [REDACTED], or [REDACTED]. Using [REDACTED] as the report date, the Department had 10 days to process the change or until [REDACTED]. The Department did not process the change until [REDACTED].

The Department advised that it requested verification but did not provide evidence that a Verification Checklist was issued. The Department determined on [REDACTED] based upon consulting the Work Number, that the last day of work was [REDACTED], which appears incorrect. The Department also did not present the Work Number information it relied on as evidence at the hearing. A paystub was provided by Petitioner on [REDACTED] which listed the last pay period as [REDACTED], through [REDACTED]. The Department said it processed the Petitioner's change in [REDACTED] but did not provide any evidence how it determined FAP benefits for [REDACTED] and how the \$ [REDACTED] benefit amount was determined.

Based upon the evidence presented, it is determined that the Department did not meet its burden of proof to demonstrate that it properly processed the Petitioner's reported loss of employment on [REDACTED], which she timely reported on [REDACTED], or

██████████, by telephone to her worker. This testimony is un rebutted by the Department. In addition, the Department advised that it used the Work Number but provided no information about what information it relied upon from the Work Number.

### **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 the Department acted in accordance with Department policy when it supplemented the Petitioner's ██████████ and ██████████ FAP benefits, which provided Petitioner with the correct FAP benefit amount for those months.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it processed the Petitioner's reported loss of employment on ██████████.

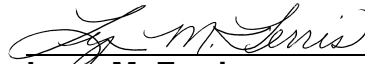
Accordingly, the Department's decision is

1. **AFFIRMED IN PART** with respect to its determination of Petitioner's FAP benefit amounts for ██████████ and ██████████ and;
2. **REVERSED IN PART** with respect to its processing of Petitioner's reported loss of employment and that it correctly processed the change for ██████████.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall reprocess the Petitioner's ██████████ FAP benefits and include no income for that month when determining FAP benefits.
2. The Department shall issue a FAP supplement for ██████████ to the Petitioner for FAP benefits she is otherwise entitled to receive in accordance with Department policy.

LMF/jaf



**Lynn M. Ferris**

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]

**Petitioner**

[REDACTED]

[REDACTED]