



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: March 30, 2017
MAHS Docket No.: 17-002483
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 22, 2017, from Lansing, Michigan. The Petitioner represented himself. The Department was represented by [REDACTED] [REDACTED] (Eligibility Specialist) and [REDACTED] [REDACTED] [REDACTED] (Family Independence Manager).

ISSUE

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

FINDINGS OF FACT

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

1. On December 21, 2016, the Department received Petitioner's application for Food Assistance Program (FAP) benefits. Exhibit A, p 8
2. On December 21, 2016, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of countable assets by January 3, 2017. Exhibit A, pp 9-10.
3. On January 18, 2017, the Department denied Petitioner's Food Assistance Program (FAP) application for failing to provide verification of his assets.
4. On January 30, 2017, the Department received Petitioner's asset verification documents.

5. On February 8, 2017, the Department re-registered Petitioner's Food Assistance Program (FAP) application and determined his eligibility for benefits.
6. On February 8, 2017, the Department sent Petitioner a Verification Checklist (DHS-3503) with a February 21, 2017, due date. Exhibit A, pp 6-7.
7. The Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED]
8. The Department approved Petitioner for Food Assistance Program (FAP) benefits with a \$ [REDACTED] monthly allotment of benefits effective February 1, 2017.
9. On February 13, 2017, the Department received Petitioner's request for a hearing protesting the amount of Food Assistance Program (FAP) benefits he has been granted by the Department. Exhibit A, pp 2-3.

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.

All earned and unearned income available is countable unless excluded by policy. 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, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (January 1, 2016).

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 (October 1, 2016), 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 (January 1, 2016), pp 1-9.

The Department will re-register the FAP application if the client complies within 60 days of the application date. Department of Health and Human Services Bridges Administrative Manual (BAM) 130 (January 1, 2017), p 7.

On December 21, 2016, the Department received Petitioner's FAP application and requested information necessary to determine his eligibility for benefits. Petitioner's application was initially denied for failure to provide verification of countable assets. On January 30, 2017, the Department received Petitioner's verification documents.

The Department was required to re-register the application because Petitioner complied within 60 days of the December 21, 2016, application date, as directed by BAM 130. The Department then approved a \$ [REDACTED] monthly allotment of FAP benefits.

Petitioner applied for FAP benefits as a group of one. The Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED]. Petitioner's adjusted gross income of \$ [REDACTED] was determined by reducing his total monthly income by the \$ [REDACTED] standard deduction for a group of one. Petitioner is entitled to a \$ [REDACTED] shelter deduction, which was determined by reducing his \$ [REDACTED] monthly housing expense by 50% of his adjusted gross income.

Petitioner did not dispute that he receives RSDI benefits in the gross monthly amount of \$ [REDACTED] but argued that his net monthly benefit is much less than that. Petitioner failed to offer any evidence of his net RSDI benefits or the deductions from this gross benefits. Petitioner argued that his net income is insufficient to meet his needs.

Regardless of what Petitioner's net monthly income is, all earned and unearned income that is available is countable as directed by BEM 500 unless excluded by policy. The amount counted to determine eligibility for FAP benefits may be more than the amount Petitioner actually receives because the gross amount is used prior to any deductions.

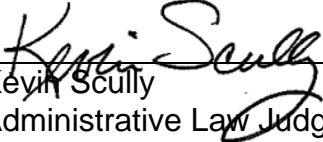
Based on the evidence and testimony available during the hearing, this Administrative Law Judge finds that the Department properly determined Petitioner's countable income and the record evidence does not establish that Petitioner reported any other allowable expenses not recognized by the Department.

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 Petitioner's eligibility for Food Assistance Program (FAP) benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr



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]

[REDACTED]

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]