



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: August 3, 2017
MAHS Docket No.: 17-008894
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Denise McNulty

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; 42 CFR 438.400 to 438.424; 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], from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Family Independence Manager, and [REDACTED], Assistance Payment Worker.

ISSUE

Did the Department properly determine Petitioner's eligibility for Food Assistance Program (FAP) benefits for the month of [REDACTED]?

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 recipient of FAP benefits.
2. In [REDACTED], Petitioner reported earned income. The Department completed a new FAP budget.
3. The Department re-determined Petitioner's eligibility for FAP benefits and notified Petitioner that she had been approved for FAP benefits in the amount of \$ [REDACTED] per month effective [REDACTED].

4. The Department continued to work with Petitioner to ensure the FAP budget correctly reflected her income information. On [REDACTED], the Department calculated new budgets with the verified income information for [REDACTED].
5. On [REDACTED] Petitioner filed a request for hearing disputing the Department's actions prior to the Notice of Case Action being issued.

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.

Petitioner requested a hearing to dispute the information being included in the determination of her FAP benefits. Petitioner was under the mistaken belief that her unemployment benefit income that ended in [REDACTED] was still being considered in the determination of her group benefits. At the hearing, the information used to calculate Petitioner's FAP benefits for [REDACTED] was reviewed on the record. Petitioner confirmed the information regarding her earned income. The Department testified that Petitioner's income only consisted of her earned income from employment with Home Depot and that there was no unearned income (unemployment benefits) considered in the budget. Under Department policy, the Department properly considered Petitioner's earned and when it calculated FAP benefits. BEM 503 (January 2017), p. 9.

When a client reports a change in income, the Department completes a budget to determine continued eligibility. BEM 505 (April 2016), p. 10. 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. BEM 505 (April 2016), p. 10.

The Department recalculated Petitioner's budget for [REDACTED] and determined that her benefit amount should be \$ [REDACTED]. Petitioner was also subject to recoupment due to a previous IPV in the amount of \$ [REDACTED].

The deductions applied to gross income in determining Petitioner's net income were also reviewed. Petitioner's gross countable earned income was reduced by the 20 % earned income deduction. BEM 550 (January 2017), p. 1. Petitioner's FAP group size is two. [Exhibit A, p. 17.] As a two member FAP group Petitioner was eligible for a standard deduction of \$ [REDACTED] which was applied in the budget. RFT 255 (October

2016), p. 1. The 20% earned income deduction, in the amount of \$ [REDACTED] was applied. BEM 550 (January 2017), p. 1.

Petitioner confirmed that her monthly housing rent was \$ [REDACTED]. She was given a \$ [REDACTED] heat/utility standard. RFT 255 (October 2016) p. 1. Petitioner was given the maximum excess shelter deduction of \$ [REDACTED]. RFT 255 (October 2016) p. 1. After all of the deductions were applied Petitioner's net income was determined to be \$ [REDACTED].

Based on net income of \$ [REDACTED] and a group size of one, Petitioner was eligible for monthly benefits in the amount of \$ [REDACTED] for [REDACTED]. RFT 260 (October 2016), p. 8. Therefore, based on Petitioner's verified circumstances, the Department acted in accordance with Department policy when it calculated Petitioner's FAP benefits for the certification period for [REDACTED].

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 determined Petitioner's benefits for [REDACTED].

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



DM/jaf

Denise McNulty
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]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]