



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: April 12, 2019
MAHS Docket No.: 19-002274
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 April 4, 2019, from Lansing, Michigan. Petitioner was represented by his authorized hearing representative, [REDACTED] [REDACTED]. The Department was represented by Heather Klever.

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 [REDACTED], 2019, the Department received Petitioner's application for Food Assistance Program (FAP) benefits.
2. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$972. Exhibit M.
3. Two children in Petitioner's household each receive Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amounts of \$74. Exhibit M.
4. On February 7, 2019, the Department sent Petitioner a Verification Checklist (DHS-3503) with a February 19, 2019, due date, requesting verification of the balance of a checking account, in addition to other things necessary to accurately determine eligibility for benefits. Exhibit A.

5. On February 21, 2019, the Department notified Petitioner that he was not eligible for Food Assistance Program (FAP) benefits effective January 28, 2019. Exhibit E.
6. On February 26, 2019, the Department notified Petitioner that he was eligible for a \$235 monthly allotment of Food Assistance Program (FAP) benefits as of February 1, 2019. Exhibit G.
7. On February 25, 2019, the Department received Petitioner's request for a hearing. Exhibit F.
8. On February 25, 2019, the Department received the verification documents necessary to accurately determine eligibility for Food Assistance Program (FAP) benefits. Exhibit F.

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 (January 1, 2018), 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 (April 1, 2017), pp 1-10.

When a client completes the application process after denial but on or before the 30th day, the Department will re-register the application using the application date and prorate benefits as directed by policy. Department of Health and Human Services Bridges Administrative Manual (BAM) 115 (April 1, 2019), p 25.

Initial FAP benefits are prorated based on the application date based on the number of days in the month that the client is eligible for benefits. Department of Health and Human Services Bridges Eligibility Manual (BEM) 556 (April 1, 2018), pp 5-6.

The Department received Petitioner's application for FAP benefits on [REDACTED], 2019, but this application was denied when all assets were not verified by February 19, 2019. The application for FAP benefits was denied, but the application process was completed within 30 days of the application date when all verification documents necessary to determine eligibility were received by the Department. The Department determined that Petitioner is eligible for a \$235 monthly allotment of FAP benefits with a \$30 allotment for January of 2019, prorated based on a January 28, 2019, application date.

Petitioner applied for FAP benefits as a group of three on [REDACTED] 2019. Respondent's FAP benefit group received a monthly income in the gross monthly amount of \$1,120, which is the sum of the income everyone receives. This amount was not disputed during the hearing. Respondent's adjusted gross income of \$962 was determined by reducing the total monthly income by the \$158 standard deduction.

The Department will verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, the Department will remove the old expense until the new expense is verified. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (April 1, 2019), p 14.

Petitioner is entitled to a deduction for shelter expenses in the monthly amount of \$62, which was determined by reducing the \$543 heat and utility deduction by 50% of the adjusted gross income. No other housing expenses had been verified as of February 25, 2019, but eligibility could be determined without including those expenses as directed by BEM 554. Verification of housing expenses is different than verification of countable assets, which required denial of the application when the asset verification documents was not received.

Petitioner's net income of \$900 was determined by reducing the adjusted gross income by the \$62 shelter deduction. A group of three with a net income of \$900 is entitled to a \$235 monthly allotment of FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2018), p 13.

The Department's representative testified that additional verification of housing expense was received February 26, 2019, and this may affect Petitioner's eligibility for FAP benefits in the future.

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 Food Assistance Program (FAP) benefits on February 21, 2019, but then approved them back to the application date when the application was completed within 30 days as directed by BAM 115.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/dh



Kevin Scully
Administrative Law Judge
for Robert Gordon, 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) 763-0155; 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

Kimberly Kilmer
800 Watertower
Big Rapids, MI 49307

Mecosta County, DHHS

BSC3 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

Authorized Hearing Rep.

Richard Whitney
3840 170th Ave
Morley, MI 49336

Petitioner

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]