



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: July 1, 2016
MAHS Docket No.: 16-007113
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 June 22, 2016, from Detroit, Michigan. Petitioner appeared and was unrepresented. [REDACTED] Petitioner's cousin, appeared as an [REDACTED] translator. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], manager.

ISSUE

The issue is whether MDHHS properly determined Petitioner's Food Assistance Program (FAP) eligibility.

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 member of a 2-person FAP benefit group.
2. Petitioner's household received \$1,416 in monthly unearned income.
3. Petitioner had an obligation of \$500 in rent.
4. Petitioner had no ongoing medical expenses.

5. On an unspecified date, MDHHS determined Petitioner was eligible for \$100 in FAP benefits, effective May 2016, in part, based on \$1,416 in monthly unearned income, a \$500 rental obligation, and \$0 medical expenses.
6. On [REDACTED], Petitioner requested a hearing to dispute the amount of FAP eligibility from May 2015.

CONCLUSIONS OF LAW

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. MDHHS (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. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute the amount of ongoing FAP eligibility. The hearing request did not identify the first month of FAP eligibility being disputed. Petitioner testified she intended to dispute her FAP eligibility from May 2016 in which MDHHS reduced her eligibility to \$100.

BEM 556 details the procedures for determining FAP eligibility. MDHHS did not present budget documents from May 2016. Instead, MDHHS obtained the budget documents during the hearing and gave testimony as to each May 2016 FAP budget factor. Petitioner was asked about each budget factor.

MDHHS factored Petitioner received \$1,416 in unearned income. Petitioner testimony conceded the amount to be correct.

[MDHHS] uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (October 2015), p. 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, MDHHS considers the following expenses: child care, excess shelter (housing and utilities) up to a capped amount and court-ordered child support and arrearages paid to non-household members (see *Id.*). For groups containing SDV members, MDHHS also considers the medical expenses for the SDV group member(s) and an uncapped excess shelter expense. It was not disputed that Petitioner and her other group member were aged and/or disabled.

Verified medical expenses for SDV groups, child support, and day care expenses are subtracted from a client's monthly countable income. MDHHS factored Petitioner had no day care or child support expenses. Petitioner testimony conceded she had no such expenses.

MDHHS factored no medical expenses for Petitioner. Petitioner testified she had an unpaid medical bill from 6 months earlier. The medical expense was curious because

Petitioner also conceded she was a Medicaid recipient. Petitioner testimony conceded she had no ongoing monthly medical expenses. Based on presented evidence, it is found MDHHS properly factored Petitioner had no medical expenses.

Petitioner's FAP benefit group receives a standard deduction of \$154. RFT 255 (October 2015), p. 1. The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. The standard deduction is subtracted from the countable monthly income to calculate the group's adjusted gross income. Petitioner's FAP group's adjusted gross income is found to be \$1,262.

MDHHS budgeted \$500 in monthly housing expenses. Petitioner conceded the amount to be correct.

MDHHS credited Petitioner with a utility standard of \$539 (see RFT 255). The utility standard incorporates all utilities and is the maximum credit available. Petitioner's total shelter expenses are found to be \$1,039.

MDHHS only credits FAP benefit groups with what is called an "excess shelter" expense. This expense is calculated by subtracting half of Petitioner's adjusted gross income from Petitioner's total shelter obligation. Petitioner's excess shelter amount is found to be \$408.

Petitioner testified she spends "a lot of money" on transportation and clothes. Neither expense is countable concerning FAP eligibility.

The FAP benefit group's net income is determined by taking the group's adjusted gross income and subtracting the allowable excess shelter expense. Petitioner's FAP benefit group's net income is found to be \$854. A chart listed in RFT 260 is used to determine the proper FAP benefit issuance. Based on Petitioner's group size and net income Petitioner's proper FAP benefit issuance is found to be \$100, the same amount calculated by MDHHS.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner's FAP eligibility to be \$100, effective May 2016. The actions taken by MDHHS are **AFFIRMED**.

CG/hw



Christian Gardocki

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]