



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: December 2, 2016  
MAHS Docket No.: 16-015713

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**ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie**

**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 November 22, 2016, from Lansing, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by ██████████, Hearing Faciliator.

**ISSUE**

Did the Department properly determine that the Petitioner had excess income resulting in a decrease in Food Assistance Program (FAP) and deny the Petitioner's State Emergency Relief (SER) because the she did not make her required co-pays?

**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 was a recipient of FAP benefits.
2. On October 10, 2016, the Petitioner applied for SER for assistance with moving for rent, security deposit, and water since she claimed that she was homeless. Department Exhibit 1, pgs. 8-21.
3. On October 18, 2016, the Department Caseworker issues a SER Decision Notice to advise the Petitioner that the Department would pay ██████ toward her rent, but she was required to pay ██████ the Department would pay ██████ toward her water, and she would be required to pay ██████, the Department would pay ██████ toward

her security deposit, and she would be required to pay [REDACTED]. The Petitioner had to make her co-pays and provide verifications by November 8, 2016 to the Department before they would pay their portions. Department Exhibit 1, pgs.5-7.

4. On October 18, 2016, the Department Caseworker sent the Petitioner a Notice of Case Action, that her FAP benefits would be [REDACTED] effective November 1, 2016. Department Exhibit 1, pgs. 44-52.
5. On October 20, 2016, the Department received a hearing request from the Petitioner, contesting the Department's negative action.
6. On November 8, 2016, the Department did not receive verifications that the Petitioner had paid all of her co-pays so the Department did not pay their portions based on policy.

### **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.

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

In this case, the Petitioner was a recipient of FAP benefits. On October 10, 2016, the Petitioner applied for SER for assistance with moving for rent, security deposit, and water since she claimed that she was homeless. Department Exhibit 1, pgs. 8-21. On October 18, 2016, the Department Caseworker issues a SER Decision Notice to advise the Petitioner that the Department would pay [REDACTED] toward her rent, but she was required to pay [REDACTED], the Department would pay [REDACTED] toward her water, and she would be required to pay [REDACTED], the Department would pay [REDACTED] toward her security deposit, and she would be required to pay [REDACTED]

The Petitioner had to make her co-pays and provide verifications by November 8, 2016 to the Department before they would pay their portions. Department Exhibit 1, pgs.5-7. On October 20, 2016, the Department received a hearing request from the Petitioner,

contesting the Department's negative action. On November 8, 2016, the Department did not receive verifications that the Petitioner had paid all of her co-pays so the Department did not pay their portions based on policy. On October 18, 2016, the Department Caseworker sent the Petitioner a Notice of Case Action, that her FAP benefits would be [REDACTED] effective November 1, 2016. Department Exhibit 1, pgs. 44-52. BAM 105, 130, and 220. BEM 212, 220, 221, 223, 225, 400, 503, and 554.

During the hearing, the Petitioner stated that she called her worker several times, but did not receive a call back. The Hearing Facilitator stated that that worker always called her clients back. In addition, the Petitioner had everything she needed in her SER letter. As a result, the Petitioner's SER was denied because she did not provide proof of co-pays by the due date of November 8, 2016 for the Department to pay their portions.

The Petitioner had excess income for FAP that resulted in a decrease of her FAP benefits from [REDACTED] to [REDACTED]. Her shelter expense had not been verified and was counted in error. The shelter expense was removed and she did not have any shelter or utility expenses to be deducted because she claimed to be homeless. The Petitioner had unearned income of [REDACTED] from [REDACTED] of [REDACTED] and [REDACTED] of [REDACTED]. After deductions from her gross income of [REDACTED] of [REDACTED] standard deduction for an adjusted gross income of [REDACTED]. The Petitioner was given a total shelter deduction of [REDACTED] resulting from a housing expense of [REDACTED] and heat and utility standard of [REDACTED]. The Petitioner had a net income of [REDACTED] which was the adjusted gross income of [REDACTED] minus the excess shelter deduction of [REDACTED]. With a net income of [REDACTED] the Petitioner qualified with a household group size of [REDACTED] for a maximum benefit of [REDACTED] plus [REDACTED] in economic recovery minus 30% of net income of [REDACTED] resulting in a net benefit amount of [REDACTED].

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 that the Petitioner had excess income resulting in a decrease of her FAP benefits from [REDACTED] to [REDACTED]. In addition, the Petitioner did not provide proof of co-pays by the due date of November 8, 2016 for the Department to pay their portions.

### **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 denied the Petitioner's SER application because she did not provide verification that she had paid her required co-pays and decreased the Petitioner's FAP benefits from [REDACTED] to [REDACTED] because she was not paying any shelter and utility expenses.

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

*Carmen G. Fahie*

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**Carmen G. Fahie**  
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

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