



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: September 7, 2016  
MAHS Docket No.: 16-010784  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton**

**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 August 31, 2016, from Detroit, Michigan. The Petitioner was represented by Petitioner. The Department of Health and Human Services (Department) was represented by [REDACTED] Hearing Facilitator.

**ISSUE**

Did the Department properly determine Petitioner's eligibility for 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. Petitioner is an ongoing FAP recipient.
2. Petitioner began receiving income from the Social Security Administration in December 2015.
3. Petitioner completed a new application for benefits and submitted a Change Report on [REDACTED].
4. The new application for benefits included the unearned income.

5. The Department had not previously considered the unearned income when determining Petitioner's eligibility for FAP benefits.
6. The Department recalculated Petitioner's eligibility for FAP benefits, including the unearned income, and on [REDACTED] sent Petitioner a Notice of Case Action which notified Petitioner that her FAP benefits would decrease to [REDACTED] per month.
7. On [REDACTED], Petitioner filed a Request for Hearing disputing the Department's actions.

### **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.

Additionally, the Department is required to periodically redetermine or renew an individual's eligibility for active programs. The redetermination process includes thorough review of all eligibility factors. BAM 210 (January 2016), p. 1. In this case, Petitioner submitted an application for benefits and a Change Report on [REDACTED]. Petitioner reported her unearned income to the Department. The Department testified that prior to the application, it had not included Petitioner's unearned income when determining her eligibility for FAP benefits.

Petitioner confirmed that beginning December 2015, she receives [REDACTED] in income from the Social Security Administration. Petitioner does not have any earned income. Petitioner also submitted a lease to the Department which revealed that her rent expense is [REDACTED] per month. Petitioner does not pay a heat expense but does pay an electric expense. Petitioner also pays for telephone costs.

The Department presented a FAP net income budget showing that Petitioner had a countable unearned income of [REDACTED]. Based on Petitioner's circumstances, she was eligible to receive a standard deduction of [REDACTED] based on her one-person group size. RFT 255 (July 2016), p. 1. Because Petitioner did not have a heating expense, she was entitled to a [REDACTED] non-heat electric expense and a [REDACTED] telephone standard. RFT 255 (July 2016), p. 1. After calculating Petitioner's shelter expense and

other standard deductions, she was eligible for a shelter deduction in the amount of [REDACTED]. When the standard deduction and the shelter deduction are subtracted from Petitioner's income, her net income amount is [REDACTED].

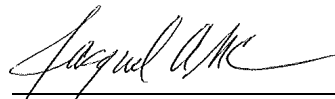
On [REDACTED], the Department sent Petitioner a Notice of Case Action which notified her that her FAP benefits would decrease to [REDACTED] monthly. Based on the information available to the Department at the time the new application and Change Report were submitted, and based upon a net income of [REDACTED], it properly determined that Claimant was entitled to a FAP benefit amount of [REDACTED] per month. RFT 260 (October 2015), p. 8.

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 decreased Petitioner's FAP benefits to [REDACTED] per month.

### **DECISION AND ORDER**

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

JM/hw



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**Jacquelyn A. McClinton**

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]