



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: May 5, 2017
MAHS Docket No.: 17-004444
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Eric J. Feldman

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 [REDACTED] [REDACTED] from Detroit, Michigan. Petitioner was present for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearings Facilitator; and [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly calculate Petitioner's Food Assistance Program (FAP) allotment in the amount of \$ [REDACTED] effective [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 is an ongoing recipient of FAP benefits.
2. For [REDACTED], Petitioner received \$ [REDACTED] in FAP benefits.
3. On [REDACTED], Petitioner submitted her Semi-Annual Contact Report.
4. On [REDACTED], the Department sent Petitioner a Notice of Case Action notifying her that she was approved for \$ [REDACTED] in FAP benefits effective [REDACTED] [REDACTED] Exhibit A, pp. 36-38.

5. On [REDACTED], Petitioner filed a hearing request, protesting the Department's action. Exhibit A, pp. 42-44.

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.

In the present case, Petitioner testified that she was disputing her FAP allotment in the amount of \$ [REDACTED] effective [REDACTED]. As such, the undersigned Administrative Law Judge (ALJ) reviewed the FAP budget from [REDACTED] in the present matter. Exhibit B, pp. 1-2.

First, it was not disputed that the certified group size is one and that she is not a senior/disabled/disabled veteran (SDV) member.

Second, the Department calculated Petitioner's gross earned income to be \$ [REDACTED] Exhibit B, p. 1. Petitioner's gross income was calculated based on the Department taking her biweekly earnings of \$ [REDACTED] and multiplying it by the 2.15 equation for biweekly income in order to convert the income to a standard monthly amount, resulting in the gross income of \$ [REDACTED]. See BEM 505 (July 2016), p. 9. The undersigned finds that the Department properly calculated Petitioner's gross earned income of \$ [REDACTED] in accordance with Department policy. See BEM 505, p. 9.

Then, Petitioner's gross countable earned income is reduced by a 20 percent earned income deduction. BEM 550 (January 2017), p. 1. This results in Petitioner's post earned income deduction amount to be \$ [REDACTED] (\$ [REDACTED] total income minus \$ [REDACTED] (20% of the total income-rounded-up)). Exhibit B, p. 1.

Next, the Department applied the \$ [REDACTED] standard deduction applicable to Petitioner's group size of one. RFT 255 (October 2016), p. 1. Petitioner also did not qualify for the dependent care, medical, and child support deductions. Exhibit B, p. 1.

Once the Department subtracts the \$ [REDACTED] standard deduction, this results in an adjusted gross income of \$ [REDACTED] Exhibit B, pp. 1-2.

Also, the Department provides individuals with a shelter deduction, which consists of housing costs and utility expenses. The Department presented the FAP – Excess Shelter Deduction budget (shelter budget), which indicated that Petitioner’s monthly housing expense is \$█ Exhibit B, p. 3. Furthermore, Petitioner’s budget showed that she was not receiving the \$█ heat and utility (h/u) standard and that she was only eligible for the telephone standard of \$█ RFT 255, p. 1, and Exhibit B, p. 3. Petitioner indicated that all of her utilities are included in her rent; thus, she is only eligible for the telephone standard deduction of \$█ in accordance with Department policy. See BEM 554 (January 2017), pp. 14-25.

Furthermore, the total shelter obligation is calculated by adding Petitioner’s housing expenses to the utility credit; this amount is found to be \$█ Exhibit B, p. 3. Then, the Department subtracts the total shelter amount from 50 percent of the \$█ adjusted gross income. Fifty percent of the adjusted gross income is \$█ Exhibit B, p. 3. When the Department subtracts the total shelter amount from 50 percent of the gross income, the excess shelter amount is found to be \$█ Exhibit B, p. 3.

Finally, the Department subtracts the \$█ adjusted gross income from the \$█ excess shelter deduction, which results in a net income of \$█ Exhibit B, pp. 1-2. A chart listed in RFT 260 is used to determine the proper FAP benefit issuance. Based on Petitioner’s group size and net income, the Department properly determined that Petitioner’s FAP benefit issuance is found to be \$█ for █. RFT 260 (October 2016), p. 13.

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 properly calculated Petitioner’s FAP benefits in the amount of \$█ effective █.

Accordingly, the Department’s FAP decision is **AFFIRMED**.

EJF/jaf



Eric J. Feldman
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

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]

DHHS

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]