



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 16, 2017
MAHS Docket No.: 17-004926
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 May 15, 2017, from Detroit, Michigan. Petitioner was present for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist; and [REDACTED], Family Independence Manager.

ISSUE

Did the Department properly calculate Petitioner's Food Assistance Program (FAP) allotment effective March 1, 2017?

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. On January 20, 2017, Petitioner submitted a Mid-Certification Contact Notice (mid-certification). [Exhibit A, pp. 5-7.]
3. Petitioner receives monthly Supplemental Security Income (SSI), Retirement, Survivors, and Disability Insurance (RSDI), and State SSI Payments (SSP) income. [Exhibit A, p. 1 and 8-10.]

4. The Department updated Petitioner's income because his RSDI income was not previously included in the budget, which caused his FAP benefits to decrease from [REDACTED]. [Exhibit A, p. 1.]
5. On February 23, 2017, the Department sent Petitioner a Notice of Case Action notifying him that his FAP benefits were approved for [REDACTED] effective March 1, 2017. [Exhibit A, pp. 11-14.]
6. On April 11, 2017, Petitioner filed a hearing request, protesting his FAP allotment effective March 1, 2017. [Exhibit A, pp. 2-3.]

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, the undersigned reviewed the FAP budget from March 2017. [Exhibit A, pp. 18-19.]

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

Second, the Department calculated Petitioner's gross unearned income to be [REDACTED] from his SSI, RSDI, and SSP income, which he did not dispute. [Exhibit A, p. 18 and BEM 503 (January 2017), pp. 28-33.]

Next, the Department properly applied the [REDACTED] standard deduction applicable to Petitioner's group size of one. [Exhibit A, p. 18 and RFT 255 (October 2016), p. 1.] The Department did not provide Petitioner with a deduction for dependent care, medical, and child support expenses, which he did not dispute. [Exhibit A, p. 18.]

Once the Department subtracts the [REDACTED] standard deduction, this results in an adjusted gross income of [REDACTED] [Exhibit A, p. 18.]

Also, the Department provides Petitioner with an excess shelter deduction, which comprises of his housing expenses and utility expenses. The FAP – Excess Shelter

Deduction budget (shelter budget) indicated that Petitioner's monthly housing expense is [REDACTED], which he did not dispute. [Exhibit A, p. 20.] Petitioner's home was foreclosed and he indicated that he might possibly have housing expenses in the future, but at this point, he does not have any such expenses. See BEM 554 (January 2017), pp. 12-15 (shelter expenses). It should also be noted that Petitioner informed the Department in his mid-certification that he did not have any housing expenses. [Exhibit A, p. 6.] Nevertheless, the Department properly determined that Petitioner was not eligible for any housing expenses in the March 2017 budget. The Department also provided Petitioner with the [REDACTED] mandatory heat and utility (h/u) standard, which encompasses all utilities (water, gas, electric, telephone) and is unchanged even if a client's monthly utility expenses exceed the [REDACTED] amount. [Exhibit A, p. 20; BEM 554, pp. 14-16; and RFT 255, p. 1.]

Furthermore, the total shelter obligation is calculated by adding Petitioner's housing expenses to the utility credit; this amount is found to be [REDACTED]. [Exhibit A, p. 20.] Then, the Department subtracts the total shelter amount from fifty percent of the [REDACTED] adjusted gross income. [Exhibit A, p. 18.] Fifty percent of the adjusted gross income is [REDACTED] [Exhibit A, p. 20.] When the Department subtracts the total shelter amount from fifty percent of the gross income, the excess shelter amount is found to be [REDACTED]. [Exhibit A, p. 20.]


The Department then subtracts the [REDACTED] adjusted gross income from the [REDACTED] excess shelter deduction, which results in a net income of \$ [REDACTED]. [Exhibit A, pp. 18-19.] 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 [REDACTED] effective March 1, 2017. RFT 260 (October 2016), p. 6.

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 allotment to be [REDACTED] effective March 1, 2017.

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

EF/tm



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

DHHS

[REDACTED]
[REDACTED]

[REDACTED]

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

CC: [REDACTED]
[REDACTED]