



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR



Date Mailed: June 12, 2017  
MAHS Docket No.: 17-005427  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Denise McNulty

### **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 1, 2017, from Lansing, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator.

### **ISSUE**

Did the Department properly determine Petitioner's eligibility for Food Assistance Program (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 was an ongoing recipient of FAP benefits.
2. In connection with her benefits, the Department sent [REDACTED], (Employer) a New Hire Client Notice based on a cross-match on April 3, 2017. Petitioner was provided with a copy of the Notice sent to the Employer.
3. Petitioner began working for the Employer on November 12, 2015. [Exhibit A, p. 4.]
4. Petitioner submitted the Mid-Certification form prior to April 24, 2017.
5. On April 14, 2017, the Department sent Petitioner a Notice of Case Action notifying her that his FAP benefits were decreased. [Exhibit A, p. 8.]

6. On April 21, 2017, the Department received Petitioner's request for hearing disputing the Department's actions concerning his FAP.

### **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.

Petitioner requested a hearing concerning her monthly FAP benefits. The Department redetermined her FAP benefit amount based on the information received from Employer regarding Petitioner's income. [Exhibit A, pp. 3-7.] Petitioner was approved for \$ [REDACTED] in FAP benefits. [Exhibit A, p. 8.] At the hearing, the information used to calculate Petitioner's FAP benefits from the April 14, 2017, Notice of Case Action was reviewed on the record. Petitioner confirmed the information. The Department testified that Petitioner's sole income consisted of earned income from Employer and was determined to be \$ [REDACTED] gross per month. Under Department policy, the Department properly considered Petitioner's earned income when it calculated FAP benefits. BEM 505 (January 2017), pp. 6-7.

The deductions applied to gross income in determining Petitioner's net income were also reviewed. Petitioner, who confirmed that she is the sole member of her household, was properly considered by the Department as a single-member FAP group. As a single-member FAP group, she was eligible for a \$ [REDACTED] standard deduction. RFT 255 (October 2016), p. 1. Petitioner was given the earned income deduction, in the amount of \$ [REDACTED] BEM 550 (July 2016), p. 1. Petitioner confirmed that she had no child care or child support expenses and had no medical expenses. Therefore, she was not eligible for a deduction for medical expenses, child care or child support. Once the standard deduction and earned income deduction are made to Petitioner's earned income her adjusted gross income is \$ [REDACTED]

Petitioner confirmed that her monthly housing costs was \$ [REDACTED]. She was given \$ [REDACTED] in Heat and Utility standard. RFT 255 (October 2016) p. 1. The final deduction available in the calculation of Petitioner's net income for FAP purposes, the excess shelter deduction, is equal to (i) the sum of a client's monthly shelter expenses and the applicable utility standard for any utilities the client is responsible to pay less (ii) 50% of the client's adjusted gross income, which in this case, is \$ [REDACTED] BEM 556, pp. 4-5.

When Petitioner's adjusted gross income of \$ [REDACTED] is reduced by her \$ [REDACTED] excess shelter deduction, Petitioner has net income of \$ [REDACTED]. Based on net income of \$ [REDACTED] and a group size of one, Petitioner was eligible for monthly benefits of \$ [REDACTED] for May 2017-ongoing. RFT 260 (October 2016), p. 8. Therefore, the Department acted in accordance with Department policy when it calculated Petitioner's FAP benefits for the certification period including May 2017- ongoing.

### **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 decreased Petitioner's FAP benefits to \$ [REDACTED] per month effective May 1, 2017.

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



DM/nr

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Denise McNulty  
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]

Petitioner

[REDACTED]