



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: June 13, 2017
MAHS Docket No.: 17-005683
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 himself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator, and [REDACTED] [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly close Petitioner's 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 his benefits, the Department sent Petitioner a Mid-Certification form with a due date of March 1, 2017.
3. On March 10, 2017, the Department sent Petitioner a Notice of Potential Food Assistance (FAP) Closure.
4. Petitioner submitted the Mid-Certification form prior to April 24, 2017.

5. On April 24, 2017, the Department sent Petitioner a Notice of Case Action notifying him that his FAP benefits were approved. [Exhibit B, p. 1.]
6. On April 20, 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 to dispute the Notice of Potential Food Assistance (FAP) Closure and the amount of his monthly FAP benefits. After submitting the mid-certification form in April 2017, Petitioner was approved for \$ [REDACTED] in FAP benefits. [Exhibit B, p.1.] At the hearing, the information used to calculate Petitioner's FAP benefits from the April 24, 2017, Notice of Case Action was reviewed on the record. Petitioner confirmed the information. The Department testified that Petitioner's sole income consisted of his Supplemental Security Income (SSI) of \$ [REDACTED]. Under Department policy, the Department properly considered Petitioner's SSI income when it calculated FAP benefits. BEM 503 (January 2017), p. 33.

The deductions applied to gross income in determining Petitioner's net income were also reviewed. Because Petitioner receives SSI based on a disability, he is a senior/disabled/veteran (SDV) member of a FAP group of one. See BEM 550 (January 2017), p. 1. For FAP groups with one or more SDV members and no earned income, the Department must reduce the household's gross monthly unearned income by the following deductions: the standard deduction (based on group size), child care expenses, child support expenses, verified out-of-pocket medical expenses in excess of \$35, and the excess shelter deduction. BEM 554 (January 2017), p. 1; BEM 556 (July 2013), pp. 4-5.

Petitioner, who confirmed that he was the sole member of his household, was properly considered by the Department as a single-member FAP group. As a single-member FAP group, he was eligible for a \$ [REDACTED] standard deduction. RFT 255 (October 2016), p. 1. Petitioner confirmed that he had no child care or child support expenses and had no medical expenses. Therefore, he was not eligible for a deduction for medical

expenses, child care or child support. Once the standard deduction is made to Petitioner's unearned income his adjusted gross income is \$ [REDACTED]

Petitioner confirmed that his monthly housing costs was \$ [REDACTED]. He was also given \$ [REDACTED] in non-heat electric 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 his \$ [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 April 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 April 1, 2017.

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



DM/nr

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]

Petitioner

[REDACTED]