



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 20, 2017  
MAHS Docket No.: 17-006722  
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 May 15, 2017, from Detroit, Michigan. The Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator, and [REDACTED] Eligibility Specialist.

### **ISSUE**

Did the Department properly determine Petitioner's eligibility for Food Assistance Program (FAP) benefits effective May 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 was an ongoing recipient of FAP benefits.
2. Redetermination form was sent to the Petitioner on March 4, 2017. [Exhibit A.]
3. Petitioner missed both interviews scheduled in April. [Exhibit B and Exhibit C.] She returned the completed Redetermination on April 21, 2017. [Exhibit D.]
4. The Department redetermined Petitioner's eligibility for FAP benefits and on May 4, 2017, it sent Petitioner a Notice of Case action which notified Petitioner that she had been approved for FAP benefits in the amount of \$ [REDACTED] per month effective

May 1, 2017. The redetermination resulted in a decrease in Petitioner's FAP benefits.

5. On May 8, 2017, 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.

Petitioner requested a hearing to dispute the Notice of Case Action dated May 4, 2017, which indicated that her FAP benefits would decrease from \$ [REDACTED] per month to \$ [REDACTED] per month. [Exhibit E, p.1.] At the hearing, the information used to calculate Petitioner's FAP benefits from the May 4, 2017, Notice of Case Action was reviewed on the record. Petitioner confirmed the information. The Department testified that Petitioner's income consisted of her earned income from employment and unearned income from child support. Under Department policy, the Department properly considered Petitioner's earned and unearned income (child support) when it calculated FAP benefits. BEM 503 (January 2017), p. 9.

The deductions applied to gross income in determining Petitioner's net income were also reviewed. Petitioner's gross countable earned income was reduced by the 20 percent earned income deduction. BEM 550 (January 2017), p. 1. Petitioner's FAP group size is 2. [Exhibit E, p. 1.] As a two member FAP group Petitioner was eligible for a standard deduction of [REDACTED] which was applied in the budget for her benefits. RFT 255 (October 2016), p. 1. After both deductions were applied Petitioner's net income was \$ [REDACTED]

Petitioner confirmed that her monthly housing cost was \$ [REDACTED]. She was given \$ [REDACTED] in telephone 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 (July 2013), 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 two, 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]