



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: August 7, 2017

MAHS Docket No.: [REDACTED]

17-008529

Agency No.: [REDACTED]

Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 3-way telephone hearing was held on [REDACTED], from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], hearing facilitator.

ISSUE

The issue is whether MDHHS properly determined Petitioner's Food Assistance Program (FAP) eligibility.

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 FAP benefit recipient.
2. Petitioner was a member of a 3-person FAP-benefit group.
3. Petitioner's household received at least [REDACTED]/month in unearned income.
4. On [REDACTED], MDHHS determined Petitioner to be eligible for [REDACTED]/month in FAP benefits, effective [REDACTED], in part, based on [REDACTED] in unearned income.
5. On [REDACTED], Petitioner requested a hearing to dispute FAP eligibility.

CONCLUSIONS OF LAW

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. MDHHS (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. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner's hearing request asserted a dispute of FAP eligibility. The hearing request specifically disputed a decrease in FAP benefits to [REDACTED]; MDHHS testimony indicated Petitioner's FAP eligibility was never [REDACTED]. Petitioner testimony eventually conceded her dispute was in response to a notice dated [REDACTED] (see Exhibit 1, pp. 14-18) which determined Petitioner was eligible for [REDACTED] in FAP benefits for August 2017.

Petitioner primarily contended the amount of FAP benefits was unfair because it was less than she received in previous months. MDHHS testified that Petitioner's FAP eligibility was updated after one of Petitioner's children began receiving SSI benefits. Petitioner responded that she was unaware that an increase in household income could result in a decrease of FAP benefits. Petitioner testified she thought that FAP benefits were based only on the number of persons in the household and how many meals each person ate. Petitioner also contended it was relevant that her children had medical conditions which caused Petitioner to cook separate meals. Household size is relevant to FAP eligibility; it is not the only factor. The number of meals eaten or cooked for the household is irrelevant to FAP eligibility.

The presented FAP notice included a Budget Summary (see Exhibit 1, p.16) listing most FAP-budget factors. During the hearing, all relevant budget factors were discussed. BEM 556 outlines the factors and calculations required to determine FAP eligibility.

Petitioner testified that she received [REDACTED] in federal-issued SSI, [REDACTED] in RSDI, and state-issued SSI averaging [REDACTED]/month. The testimony was consistent with an SOLQ for Petitioner (Exhibit 1, pp. 1-3).

Petitioner also testified her household received [REDACTED]/month in SSI for a child. The testimony was consistent with an SOLQ for Petitioner's child (Exhibit 1, pp. 7-9).

Petitioner testified that her household also received at least [REDACTED] in child support. Petitioner's total group unearned income is found to be at least [REDACTED].

[MDHHS] uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (October 2015), p. 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, MDHHS considers the following expenses: child care, excess shelter (housing and utilities) up to a capped amount and court-

ordered child support and arrearages paid to non-household members (see *Id.*). For groups containing SDV members, MDHHS also considers the medical expenses above [REDACTED] for each SDV group member(s) and an uncapped excess shelter expense. It was not disputed that Petitioner and a child were SDV members.

Verified countable medical expenses for SDV groups exceeding [REDACTED] child support, and day care expenses are subtracted from a client's monthly countable income. Petitioner testimony conceded she had no such expenses.

Petitioner's FAP benefit group size justifies a standard deduction of [REDACTED] (see RFT 255). The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. The standard deduction is subtracted from the countable monthly income to calculate the group's adjusted gross income. Petitioner's FAP group's adjusted gross income is found to be [REDACTED].

MDHHS factored Petitioner's housing cost as [REDACTED]/month. Petitioner testimony conceded the amount was accurate.

Petitioner testified she had utility obligations for electricity, water, and telephone. Petitioner also testified she incurred a trash expense as part of her [REDACTED] housing expense obligation. Petitioner testimony conceded she did not incur a heating expense. MDHHS issued standard credits for electricity ([REDACTED]), water ([REDACTED]), telephone ([REDACTED]), and trash ([REDACTED]) which were consistent with the standard credits listed in RFT 255. Petitioner's total shelter expenses (housing + utilities) are found to be [REDACTED].

MDHHS only credits FAP benefit groups with an "excess shelter" expense. The excess shelter expense is calculated by subtracting half of Petitioner's adjusted gross income from Petitioner's total shelter obligation. Petitioner's excess shelter amount is found to be [REDACTED].

The FAP benefit group's net income is determined by taking the group's adjusted gross income and subtracting the allowable excess shelter expense. Petitioner's FAP benefit group's net income is found to be [REDACTED]. A chart listed in RFT 260 is used to determine the proper FAP benefit issuance. Based on Petitioner's group size and net income Petitioner's proper FAP benefit issuance for [REDACTED] is found to be [REDACTED], the same amount calculated by MDHHS.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner to be eligible for [REDACTED] in FAP benefits beginning [REDACTED]. The actions taken by MDHHS are **AFFIRMED**.

CG/hw



Christian Gardocki
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]