



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: August 24, 2017  
MAHS Docket No.: 17-008957  
Agency No.: ██████████  
Petitioner: ██████████

**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; 42 CFR 438.400 to 438.424; 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 ██████████, from Detroit, Michigan. The Petitioner was represented by ██████ ██████, Authorized Hearing Representative (AHR). The Department of Health and Human Services (Department) was represented by ██████ ██████ Hearing Facilitator.

**ISSUE**

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefit amount effective ██████████?

**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 FAP recipient with a group size of ██████████ persons.
2. Petitioner was due for redetermination of FAP benefits in ██████████.
3. A Department policy change went into effect in ██████████ that resulted in a change in Petitioner's FAP benefit amount. Additionally, a reduction in Petitioner's unearned income from cash assistance resulted in a change in Petitioner's FAP benefit amount.

4. On [REDACTED], Petitioner filed a Request for Hearing disputing the Department's actions with regard to the fluctuation in FAP benefit amounts for the months of [REDACTED].

### **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 has a hearing pending to address her concerns about her cash assistance under the Family Independence Program (FIP). That issue will not be addressed in this decision. With regards to the present hearing, Petitioner only indicated that she specifically wished to address concerns with her FAP benefits.

In this case, Petitioner requested a hearing to dispute the Department's actions regarding her monthly FAP benefits. Petitioner expressed a concern that her monthly benefit amount had fluctuated in recent months. The Department prepared a new budget for each month: [REDACTED]. The benefit amounts increased with each budget.

The Department is required to periodically redetermine or renew an individual's eligibility for active programs. The redetermination process includes thorough review of all eligibility factors. BAM 210 (January 2017), p. 1. In this case, the Department testified that Petitioner was due for Redetermination in [REDACTED]. As a result, the Department recalculated Petitioner's eligibility for FAP benefits for the upcoming benefit period. Petitioner believed the Department had failed to use the correct shelter expense when preparing the budgets. A review of all three budgets show that the Department was properly budgeting \$[REDACTED] as her housing expense. In the [REDACTED] and [REDACTED] budgets, Petitioner agrees that her unearned income was \$[REDACTED] monthly and therefore correctly budgeted. In the [REDACTED] budget, the Department did not include any cash assistance in the unearned income amount as the cash assistance was not scheduled to continue. Accordingly, the Department calculated Petitioner's monthly income as \$[REDACTED] per month in the [REDACTED] budget. BEM 550 (January 2017), p. 1; see also BEM 554 (August 2017), p. 15.

The Department submitted budgets in support of its position that Petitioner was entitled to \$ [REDACTED] per month effective [REDACTED]. Based on Petitioner's [REDACTED]-person group size, she was eligible to receive a standard deduction of \$ [REDACTED] RFT 255, p. 1. (October 2016). Petitioner confirmed that she has a housing expense of \$ [REDACTED] per month. The Department explained that a change in policy regarding the Heat/Utility (H/U) Standard meant that beginning in [REDACTED] that Petitioner was entitled to an h/u standard of \$ [REDACTED] per month. *Id.* That was included in the [REDACTED] and [REDACTED] budgets. The inclusion of that standard resulted in an increase in her monthly benefit amount. Based upon Petitioner's rent expense and h/u standard she was entitled to an excess shelter deduction of \$ [REDACTED] in the [REDACTED] budget. When the \$ [REDACTED] standard deduction and the \$ [REDACTED] shelter deduction are subtracted from Petitioner's income, her net income amount is \$ [REDACTED] for the [REDACTED] budget.

The [REDACTED] and [REDACTED] budgets were calculated correctly. Petitioner had cash assistance budgeted on both budgets coupled with the change in the h/u standard resulted in the increase in benefits on the [REDACTED] budget. The [REDACTED] budget changed again due to the exclusion of the cash benefits. Accordingly, based on the information available to the Department and based upon a net income of \$ [REDACTED] ([REDACTED] \$ [REDACTED] ([REDACTED] and \$ [REDACTED] ([REDACTED] the Department properly determined that Petitioner was entitled to a FAP benefit amount of \$ [REDACTED] ([REDACTED] \$ [REDACTED] ([REDACTED] and \$ [REDACTED] ([REDACTED]) per month. RFT 260 (October 2016), p. 8.

### **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 increased Petitioner's FAP benefits in [REDACTED], [REDACTED] and again in [REDACTED] with the final determination that Petitioner was approved for \$ [REDACTED] per month effective [REDACTED].

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



DM/jaf

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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]

**Authorized Hearing Rep.**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
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