



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: September 6, 2017
MAHS Docket No.: 17-009971
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 August 29, 2017, from Lansing, Michigan. Petitioner appeared and represented herself. [REDACTED] [REDACTED] Assistance Payments Supervisor, appeared on behalf of the Department of Health and Human Services (Department). [REDACTED] [REDACTED] Assistance Payments Worker, testified as a witness for the Department.

ISSUE

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

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 disabled with a FAP group size of 1. During the relevant time period, Petitioner lived in [REDACTED] and had a monthly FAP allotment of \$ [REDACTED] [Department's Exhibit 1, pp. 7-9].
2. Petitioner had monthly unearned countable income in the amount of \$ [REDACTED] at all relevant times. [Dept. Exh. 1, p. 7].
3. On June 6, 2017, and July 11, 2017, Petitioner submitted medical bills to the Department at the direction of her former caseworker. The medical bills were overdue and Petitioner was not on a current payment plan. [Dept. Exh. 1, pp. 3-6].

4. The Department processed Petitioner's medical bills but did not allow them to be counted as an expense on Petitioner's FAP budget. [Dept. Exh. 1, pp. 7-8].
5. Petitioner's monthly FAP allotment did not change and remained \$ [REDACTED] [Dept. Exh. 1, pp. 7-8].
6. The Department failed to send Petitioner a Notice of Case Action or a Benefit Notice that formally informed Petitioner that her medical bills were not counted and that her monthly FAP amount did not change. [Dept. Hearing Testimony].
7. Petitioner eventually discovered that her monthly FAP did not increase after submission of the medical bills and she requested a hearing to dispute the Department's decision on July 24, 2017. [Dept. Exh. 1, p. 11].

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.

The Department's computer system known as "Bridges" uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (1-1-2017), p. 1.

For groups **with** one or more SDV member, Bridges uses the following: (1) dependent care expense; (2) excess shelter; (3) court ordered child support and arrearages paid to non-household members; and (4) medical expenses for the SDV member(s) that exceed \$35. BEM 554 (1-2-2017), p. 1. [Emphasis added].

An expense is allowed if all of the following:

- The service is provided by someone outside of the FAP group.
- Someone in the FAP group has the responsibility to pay for the service in money.
- Verification is provided, if required. BEM 554, p. 1.

Expenses are used from the same calendar month as the month for which benefits are being determined. BEM 554, p. 3.

A FAP group is not required to, but may voluntarily report changes during the benefit period. Process changes during the benefit period only if they are one of the following:

- Voluntarily reported and verified during the benefit period such as expenses reported and verified for MA deductible.
- Reported by another source and there is sufficient information and verification to determine the allowable amount without contacting the FAP group. BEM 554, p. 8.

Estimate an SDV person's medical expenses for the benefit period. The expense does **not** have to be paid to be allowed. Allow medical expenses when verification of the portion paid, or to be paid by insurance, Medicare, Medicaid, etc. is provided. Allow **only** the non-reimbursable portion of a medical expense. The medical bill cannot be overdue.

The medical bill is **not** overdue if one of the following conditions exists:

- Currently incurred (for example, in the same month, ongoing, etc.).
- Currently billed (client is receiving the bill for the first time for a medical expense provided earlier and the bill is not overdue).
- Client made a payment arrangement before the medical bill became overdue. BEM 554, p. 11.

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. Based upon the above Findings of Fact, Petitioner received a total countable monthly unearned income in the amount of \$ [REDACTED] at the time relevant to this matter. Petitioner's total monthly income of \$ [REDACTED] reduced by a standard deduction of \$ [REDACTED] leaves an adjusted gross income of \$ [REDACTED] ($\$ [REDACTED] - \$ [REDACTED] = \$ [REDACTED]$). See BEM 550. An excess shelter deduction of \$ [REDACTED] was subtracted from Petitioner's adjusted gross income of \$ [REDACTED] resulting in Petitioner receiving \$ [REDACTED] in net income ($\$ [REDACTED] - \$ [REDACTED] = \$ [REDACTED]$) [Dept. Exh. 1, pp. 7-8].


An individual with a group size of 1 has a maximum monthly net income limit of \$ [REDACTED] RFT 250 (10-1-2016). Because Petitioner had a certified group size of 1 and a total countable monthly net income of \$ [REDACTED] the food issuance tables indicate that the proper monthly FAP allotment is \$ [REDACTED] RFT 260 (10-1-2016). However, 30% of her net income (\$ [REDACTED]) must be subtracted from this amount, which leaves \$ [REDACTED] ($\$ [REDACTED] - \$ [REDACTED] = \$ [REDACTED]$). Therefore, the Department correctly determined that Petitioner's monthly FAP allotment should be \$ [REDACTED].

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 determine Petitioner's monthly FAP allotment amount.

DECISION AND ORDER

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

IT IS SO ORDERED.



CAP/md

C. Adam Purnell
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]