



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR



Date Mailed: April 19, 2017
MAHS Docket No.: 17-003539
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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 April 11, 2017, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by [REDACTED] Eligibility Specialist and [REDACTED] Family Independence Manager.

ISSUE

Did the Department properly determine that the Petitioner had excess income for Food Assistance Program (FAP)?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner was a recipient of FAP benefits.
2. On February 3, 2017, the Petitioner submitted his written Redetermination Application, DHS 1010 and property tax obligation. Department Exhibit 1, pgs. 23-31.
3. On February 17, 2017, the Department determined the Petitioner's continued eligible for FAP benefits based on his unearned income from Social Security SSI in the amount of \$ [REDACTED] a state supplement of \$ [REDACTED] per month for a total unearned income of \$ [REDACTED] and property taxes of \$ [REDACTED] Department Exhibit 1, pgs. 32-35.

4. On February 17, 2017, the Department sent the Petitioner a Benefit Notice, DHS 176, which his FAP benefits would decrease to \$ [REDACTED] effective April 1, 2017. Department Exhibit 1, pg. 5-10.
5. On March 21, 2017, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

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.

In this case, Petitioner was a recipient of FAP benefits. On February 3, 2017, the Petitioner submitted his written Redetermination Application, DHS 1010 and property tax obligation. Department Exhibit 1, pgs. 23-31. On February 17, 2017, the Department determined the Petitioner's continued eligible for FAP benefits based on his unearned income from Social Security SSI in the amount of \$ [REDACTED] a state supplement of \$ [REDACTED] per month for a total unearned income of \$ [REDACTED] and property taxes of \$ [REDACTED] Department Exhibit 1, pgs. 32-35. On February 17, 2017, the Department sent the Petitioner a Benefit Notice, DHS 176, which his FAP benefits would decrease to \$ [REDACTED] effective April 1, 2017. Department Exhibit 1, pg. 5-10. On March 21, 2017, the Department received a hearing request from the Petitioner, contesting the Department's negative action. BEM 500, 503, 550, and 554. BAM 210, 220, and 600.

During the hearing, the Department stated that the Petitioner had excess income, which resulted in a decrease of his FAP benefits from \$ [REDACTED] to \$ [REDACTED] due to an increase in unearned income and decrease in his property taxes. As a result of excess income, the Petitioner had a decrease in FAP benefits. The Petitioner had unearned income of \$ [REDACTED]. After deductions from his gross income of \$ [REDACTED] of \$ [REDACTED] standard deduction for an adjusted gross income of \$ [REDACTED]. The Petitioner was given a total shelter deduction of \$ [REDACTED] resulting from a housing expense of \$ [REDACTED] and heat and utility standard of \$ [REDACTED]. The Petitioner was given an adjusted excess shelter deduction of \$ [REDACTED] with a total shelter deduction of \$ [REDACTED] minus 50% of adjusted gross income of \$ [REDACTED]. The Petitioner had a net income of \$ [REDACTED] which was the adjusted gross income of \$ [REDACTED] minus the excess shelter deduction of \$ [REDACTED]. With a net income of \$ [REDACTED], the Petitioner qualified with a household group size of 1 for a maximum benefit of \$ [REDACTED] plus \$ [REDACTED] in

economic recovery minus 30% of net income of \$ [REDACTED] resulting in a net benefit amount of \$ [REDACTED] Department Exhibit 1, pgs. 12-14.

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 determined that the Petitioner had excess income from unearned income and a decrease in property taxes resulted in a decrease of his FAP benefits from \$ [REDACTED] to \$ [REDACTED]

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**. The Petitioner had excess income from unearned income resulting in a decrease in his FAP benefits from \$ [REDACTED] to \$ [REDACTED]

Carmen G. Fahie

CF/nr

Carmen G. Fahie
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]