



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: February 2, 2018  
MAHS Docket No.: 17-016279  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris**

**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 January 31, 2018, from Detroit, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by Shaton Mason, Eligibility Specialist.

**ISSUE**

Did the Department properly calculate the Petitioner's Food Assistance (FAP) benefits?

**FINDINGS OF FACT**

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

1. At the hearing the Petitioner withdrew on the record his Hearing Request dated [REDACTED] 2017 for Medical Assistance and FIP Cash Assistance application denial as the issues raised in the Petitioner's Hearing Request have been resolved and no hearing was required.
2. The petitioner is an ongoing recipient of FAP benefits in the amount of \$26.00 monthly.
3. The Petitioner is a FAP group of one and for the month of December 2017 unearned income of \$1,019 was received for RSDI from the Social Security Administration. The Petitioner is disabled. The Petitioner had housing expenses

of \$200 in rent and received a \$537 monthly utility allowance for heat and electricity. The Petitioner's total housing expense was \$737 monthly. Exhibit VII

4. The Petitioner requested a timely hearing on [REDACTED] 2017 protesting 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) and Mich Admin Code, R 400.3101-.3131.

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, the Department determined that Petitioner was eligible for monthly FAP benefits of \$26. Exhibit VII.

In this case, the Department processed the Petitioner's FAP application and determined based upon the information provided to the Department that the Petitioner was eligible for FAP benefits ongoing in the amount of \$26 monthly. The Petitioner sought review of the benefit amount.

The following facts were confirmed as correct by Petitioner at the hearing. The Petitioner received \$1019 in RSDI in December 2017. Total monthly gross unearned income was \$1019. There was no evidence that Petitioner pays a Medicare Part B premium. The Petitioner presented proof of rent in the amount of \$200 monthly and pays for heat and electricity so is eligible for a utility allowance of \$537. See Exhibits IV and VII. Because the Petitioner receives RSDI he is considered a disabled SDV group.

At the hearing, the Department presented the FAP EDG Net Income Results Budget for December 2017, which was reviewed to determine if the Department properly concluded that Petitioner was eligible to receive \$26 in monthly FAP benefits.

All countable earned and unearned income available to the client must be considered in determining the Petitioner's eligibility for program benefits. BEM 500 (July 2016), pp. 1 – 4. The Department considers the gross amount of money earned or received from RSDI social security income due to disability. BEM 503 (July 2016), pp. 31-32.

The Department concluded that Petitioner had unearned income of \$1019 which was not disputed by the Petitioner. The Department presented a SOLQ in support of its testimony, Petitioner confirmed that Petitioner receives these amounts and they were correct. Exhibit VI. Therefore, the Department properly calculated Petitioner's gross unearned income.

The deductions to income on the net income budget were also reviewed. Petitioner has a FAP group of one members and is a senior/disabled/veteran (SDV) member of the group. BEM 550 (February 2016), pp. 1-2. Groups with one or more SDV members are eligible for the following deductions to income:

- Dependent care expense.
- Excess shelter.
- Court ordered child support and arrearages paid to non-household members.
- Medical expenses for the SDV member(s) that exceed \$35.
- Standard deduction based on group size.
- An earned income deduction equal to 20% of any earned income.

BEM 554 (October 2016), p. 7; BEM 556 (July 2013), p. 3.

In this case, Claimant did not have any earned income and there was no evidence presented that he had any dependent care, or paid child support. The Petitioner did not present any out of pocket medical expense so no medical expenses were included in the FAP budget calculation. Therefore, the budget properly did not include any deduction for earned income, dependent care expenses, child support and the medical expenses. Based on his confirmed one-person group size, the Department properly applied the \$160 standard deduction. RFT 255 (October 2014), p. 1.

In calculating Claimant's excess shelter deduction, The Department determines the eligible monthly shelter costs. The Department properly considered Claimant's \$737 monthly housing expense of \$200 for rent and \$537 heat and utility allowance as the Petitioner pays for heat. See BEM 554, pp. 16-19. A review of the excess shelter deduction budget and Department policy shows that the Department properly determined that Claimant was eligible for an excess shelter deduction of \$308. BEM 556, pp. 4-5; RFT 255, p. 1.

In determining monthly net income of \$551, 50% of the adjusted gross income of \$859.00 is deducted from the shelter expenses of \$737. ( $\$737 - \$429 = \$308$ ). The excess shelter deduction is then deducted from adjusted gross income to determine net monthly income. ( $\$859 - \$308 = \$551$ ). Based on net income of \$551 and a FAP group size of one member, the Department acted in accordance with Department policy when it concluded that Claimant was eligible for monthly FAP benefits of \$26. BEM 556; RFT 260 (October 2016), p. 8. See Exhibit VII.

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 calculated Claimant's FAP benefits.

In addition, the Petitioner's Hearing Request dated [REDACTED] 2017 regarding Medical Assistance and FIP Cash Assistance were withdrawn on the record at the hearing.

**DECISION AND ORDER**

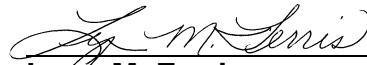
Accordingly, the Department's decision is

**AFFIRMED.**

The Petitioner's [REDACTED], 2017 Hearing Requests for Medical Assistance and FIP Cash Assistance which were withdrawn on the record at the hearing are hereby **DISMISSED.**

**IT IS SO ORDERED.**

LF/cg



---

**Lynn M. Ferris**

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

**Via Email:**

MDHHS-Wayne-55-Hearings  
B. Cabanaw  
M. Holden  
D. Sweeney  
BSC4-Hearing Decisions  
MAHS

**Petitioner – Via First-Class Mail:**

████████████████████  
██  
██