



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: February 22, 2018
MAHS Docket No.: 18-000492
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, telephone hearing was held on February 15, 2018, from [REDACTED] Michigan. Petitioner represented himself. The Department was represented by [REDACTED] and [REDACTED].

ISSUE

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for Food Assistance Program (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. On November 21, 2017, the Department received Petitioner's Redetermination (DHS-1010) form. Exhibit A, pp 1-8.
2. Petitioner received paychecks in the gross amounts of \$ [REDACTED] on November 3, 2017, and \$ [REDACTED] on October 20, 2017. Exhibit A, pp 9-10.
3. On December 21, 2017, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting that he verify his rent obligation by January 2, 2018. Exhibit A, pp 11-12.
4. On January 3, 2018, the Department notified Petitioner that he was approved for Food Assistance Program (FAP) with a \$ [REDACTED] monthly allotment of benefits effective January 1, 2018. Exhibit A, pp 13-16.

5. On January 9, 2018, the Department received verification that Petitioner is responsible for a \$ [REDACTED] which includes heating costs. Exhibit A, pp 17-20.
6. Petitioner is responsible for telephone expenses.
7. On January 10, 2018, the Department notified Petitioner that his monthly allotment of Food Assistance Program (FAP) benefits would increase to \$ [REDACTED] effective February 1, 2018. Exhibit A, pp 22-25.
8. On January 10, 2018, the Department received Petitioner's request for a hearing protesting the amount of monthly allotment of Food Assistance Program (FAP) benefits.

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 will verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, the Department will remove the old expense until the new expense is verified. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (August 1, 2017), p 14.

Respondent was an ongoing FAP recipient as a group of one when the Department received his Redetermination (DHS-1010) form on November 21, 2017. On December 21, 2017, the Department sent Petitioner a request to verify his monthly housing expense by January 2, 2018. When the Department did not receive verification of Petitioner's housing expenses, these expenses were removed from his FAP budget and his eligibility to ongoing FAP benefits was redetermined.

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. Department of Human Services Bridges Eligibility Manual (BEM) 505 (October 1, 2017), pp 7-8.

The Petitioner receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED] which was determined by multiplying the average of his two bi-weekly

paychecks by the 2.15 conversion factor. Petitioner's adjusted gross income of \$ [REDACTED] was determined by reducing his totaling monthly income by the \$ [REDACTED] standard deduction and the 20% earned income deduction.

Petitioner was not entitled to any shelter expenses other than the standard \$ [REDACTED] telephone service deduction for January of 2018 because he failed to verify his expenses by January 2, 2018. Since Petitioner's total verified shelter expenses were less than 50% of his adjusted gross income, he was not entitled to any shelter deduction.

Therefore, Respondent's net income was the same as his adjusted gross income. A group of one with a net income of \$ [REDACTED] is entitled to a \$ [REDACTED] monthly allotment of FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2017).

On January 9, 2018, the Department received verification that Petitioner is responsible for a \$ [REDACTED] monthly rent expenses, which includes heat and electricity. The Department then redetermined his eligibility for ongoing FAP benefits including this verified expense.

Petitioner receives earned income in the gross monthly amount of \$ [REDACTED] and an adjusted gross income of \$ [REDACTED]. Petitioner is entitled to a \$ [REDACTED] excess shelter deduction, which was determined by adding his \$ [REDACTED] monthly rent expenses to the standard \$ [REDACTED] telephone deduction, then subtracting 50% of his adjusted gross income.

Petitioner's net income of \$ [REDACTED] was determined by reducing his adjusted gross income by the excess shelter deduction. A group of one with a net income of \$ [REDACTED] is entitled to a \$ [REDACTED] monthly allotment of FAP benefits. RFT 260.

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 Petitioner's eligibility for Food Assistance Program (FAP) benefits in January and February of 2018.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr



Kevin Scully
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]