

RICK SNYDER GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS LANSING

SHELLY EDGERTON DIRECTOR



Date Mailed: June 26, 2018 MAHS Docket No.: 18-004998

Agency No.: Petitioner:

**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; 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 June 21, 2018, from Lansing, Michigan. Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Jennifer Sabo, Assistance Payments Supervisor.

#### ISSUE

Did the Department properly determine Petitioner's eligibility 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. Petitioner was a recipient of FAP benefits of \$192 per month from a previous medical expense deduction. Department Exhibit 1, pgs. 1-9.
- 2. On April 3, 2018, the Department Caseworker sent Petitioner a Notice of Case Action, DHS 1605, that her FAP benefits were going to be decreased to \$65 a month effective May 1, 2018, due to the loss of her medical expense deduction. Department Exhibit 2, pgs. 1-3.
- 3. On May 16, 2018, the Department received a hearing request from 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 given a monthly medical expense deduction of \$882, which made her eligible for the full FAP of \$192 per month. However, this was due to Department error because it was only a one-time expense, not a monthly bill. As a result, the Department redetermined eligibility on April 3, 2018.

As a result of the loss of a medical expense deduction, Petitioner had a decrease in FAP benefits. Petitioner had unearned income of \$922. After deductions from her gross income of \$922 of the \$160 standard deduction, she had an adjusted gross income of \$762. Petitioner was given a total shelter deduction of \$722, resulting from a housing expense of \$185 and heat and utility standard of \$537. Petitioner was given an adjusted excess shelter deduction of \$341, with a total shelter deduction of \$722 minus 50% of adjusted gross income of \$381. Petitioner had a net income of \$421, which was the adjusted gross income of \$762 minus the excess shelter deduction of \$341. With a net income of \$421, Petitioner qualified with a household group size of one for a maximum benefit of \$192 plus \$0 in economic recovery minus 30% of net income of \$127, resulting in a net benefit amount of \$65. Department Exhibit 2, pg. 4.

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 Petitioner was not eligible for the monthly medical expense deduction that it was a onetime medical expense resulting in a decrease in FAP benefits from \$192 to \$65 per month.

# **DECISION AND ORDER**

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

CF/hb

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) 763-0155; 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** 

Eileen Asam

701 S. Elmwood Suite 19 Traverse City, MI 49684

Grand Traverse County, DHHS

BSC1 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

Petitioner

