



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: September 5, 2018  
MAHS Docket No.: 18-007606  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE:** John Markey

**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 August 23, 2018, from Lansing, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Richkelle Curney, Hearings Facilitator. During the hearing, 9 pages of documents were offered and admitted as Exhibit A, pp. 1-9.

**ISSUE**

Did the Department properly determine Petitioner's 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. Petitioner is an ongoing recipient of FAP benefits.
2. In June 2018, Petitioner's case was due for Redetermination.
3. When Petitioner returned the completed Redetermination, the Department recalculated her FAP benefits based upon the new information provided in the Redetermination.
4. Petitioner had ██████████ in monthly earned income. Exhibit A, pp. 6-7.

5. Petitioner had ██████ in unearned income. Exhibit A, p. 6.
6. Petitioner had \$35.83 in housing expenses. Exhibit A, p. 6.
7. The Department determined Petitioner was eligible for the heating and utility standard of \$537.00. Exhibit A, p. 6.
8. On July 16, 2018, the Department issued to Petitioner a Notice of Case Action informing Petitioner that she was eligible for FAP benefits in the amount of \$31.00 per month, effective August 1, 2018. Exhibit A, pp. 5-6.
9. During the hearing, Petitioner acknowledged that the Department properly determined her eligibility for FAP benefits based upon the information Petitioner provided in the Redetermination.
10. On July 20, 2018, Petitioner submitted a request for hearing disputing the Department's calculation of her 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.

In this case, Petitioner disputed the calculation of her redetermined FAP benefit amount. All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits, and group composition policies specify whose income is countable. BEM 500 (July 2017), pp. 1-5. The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Prospective income is income not yet received but expected. BEM 505 (October 2017), pp. 1-2. In prospecting income, the Department is required to use income from the past 30 days if it appears to accurately reflect what is expected to be received in the benefit month, discarding any pay if it is unusual and does not reflect the normal, expected pay amounts. BEM 505, pp. 5-6. A standard monthly amount must be determined for each income source used in the budget. BEM 505, pp. 7-8. Income received biweekly is converted to a standard amount by multiplying the average of the biweekly pay amounts by the 2.15 multiplier. BEM 505,

pp. 7-9. Income received weekly is multiplied by a 4.3 multiplier. BEM 505, pp. 7-9. Income received twice per month is added together. BEM 505, pp. 7-9.

The Department and Petitioner both acknowledged that the Department properly calculated Petitioner's FAP benefits amount based on the accurate information Petitioner provided on the Redetermination. Petitioner's total monthly earned income was [REDACTED]. Petitioner had [REDACTED] in unearned income. Earned income is reduced by a 20 percent earned income deduction, which amounted to a [REDACTED] deduction. BEM 550 (January 1, 2017) p. 1. Thus, Petitioner's total income minus the earned income deduction was [REDACTED]. After taking out the appropriate standard deduction of \$154.00 based on Petitioner's FAP group of one, Petitioner had an adjusted gross income of [REDACTED]. Petitioner was eligible for any other deductions.

In calculating the excess shelter deduction of [REDACTED], the Department stated that it considered Petitioner's verified housing expense of \$35.83 and the h/u standard of \$537.00. BEM 554, pp. 14-15. The Department testified when calculating Petitioner's excess shelter amount they added the total shelter amount and subtracted 50% of the adjusted gross income. Petitioner's excess shelter deduction was properly calculated at [REDACTED] per month.

The FAP benefit group's net income is determined by taking the group's adjusted gross income of [REDACTED] and subtracting the allowable excess shelter expense of [REDACTED]. This results in a net income of [REDACTED]. A chart listed in RFT 260 is used to determine the proper FAP benefit issuance based on the net income and group size. Based on Petitioner's net income and group size of one, Petitioner's FAP monthly benefit issuance was properly determined to be \$31.00. Therefore, the Department properly calculated Petitioner's FAP benefit amount.

### **DECISION AND ORDER**

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 FAP benefit amount. Accordingly, the Department's decision is **AFFIRMED**.

JM/dh



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**John Markey**  
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**

Tara Roland 82-17  
8655 Greenfield  
Detroit, MI 48228

Wayne County (District 17), DHHS

BSC4 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

**Petitioner**

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