

RICK SNYDER GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS LANSING

SHELLY EDGERTON DIRECTOR

, MI	

Date Mailed: September 21, 2018 MAHS Docket No.: 18-008318

Agency No.:
Petitioner:

**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, a telephone hearing was held on September 13, 2018, from Lansing, Michigan. Petitioner represented himself and his son, testified on his behalf. The Department was represented by Elizabeth Jennings and Darrin McMurtry.

## **ISSUE**

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for the 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. On 2018, Petitioner applied for Food Assistance Program (FAP) benefits.
- 2. Petitioner receives monthly Supplemental Security Income (SSI) in the gross monthly amount of \$ and State Supplemental Security Income (SSP) in the gross monthly amount of \$ Exhibit A, p 2.
- 3. Petitioner has monthly housing expenses of \$219. Exhibit A, p 5.
- 4. On July 6, 2018, the Department notified Petitioner that he is eligible for a \$15 monthly allotment of Food Assistance Program (FAP) benefits effective July 1, 2018. Exhibit A, p 6.

5. On August 9, 2018, the Department received Petitioner's request for a hearing protesting the Department's determination of his eligibility for 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.

All earned and unearned income available is countable unless excluded by policy. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (July 1, 2017).

For all Food Assistance Program (FAP) groups that received the heat and utility standard on or before February 7, 2014, the heat and utility standard will remain in place for a period of five months after the month of their first redetermination or first reported case change occurring on or after May 1, 2014. In order to continue receiving the heat and utility standard beyond the expiration of the five month period, the Food Assistance Program (FAP) group must meet the requirements of the mandatory heat and utility standard section. Department of Human Services Bridges Eligibility Manual (BEM) 554 (August 1, 2017).

On 2018, Petitioner applied for FAP benefits. Petitioner's adjusted gross income of \$ 2018 was determined by reducing his totaling gross monthly income by the \$160 standard deduction. The standard deduction is scheduled to change effective August 1, 2018.

Petitioner has monthly housing expenses of \$219 per month, which includes utilities. Petitioner did not receive \$20 or more of home heating credits in the prior 12 months

and Petitioner does not dispute that he did not apply for those credits. Therefore, Petitioner is not entitled to the standard heat and utility deduction. Petitioner is entitled to a \$32 deduction for being responsible for telephone expenses.

However, since Petitioner's total shelter expenses are less than 50% of his adjusted gross income, he is not entitled to an excess shelter deduction.

With no available shelter deduction, Petitioner's net income is the same as his adjusted gross income. A group of one with a net income of \$\frac{1}{2}\$ is entitled to a \$15 monthly allotment of FAP benefits. Petitioner is entitled to FAP benefits from the date of application, but the Department will not issue prorated FAP benefits for a partial month if that amount is less than \$10.

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 effective July 1, 2017.

## **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/hb

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** Lori Duda

30755 Montpelier Drive Madison Heights, MI 48071

Oakland County (District 2), DHHS

BSC4 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

Petitioner

