



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED], MI [REDACTED]

Date Mailed: January 8, 2019  
MAHS Docket No.: 18-012574  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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 January 2, 2019, from Lansing, Michigan. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Brandy Guinn, Family Independence Manager. During the hearing, a 17-page packet was offered and admitted into evidence as Exhibit A, pp. 1-17.

### **ISSUE**

Did the Department properly deny Petitioner's application 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 [REDACTED] [REDACTED] 2018, Petitioner submitted to the Department an application for FAP benefits.
2. On October 23, 2018, and November 5, 2018, the Department issued to Petitioner a Verification Checklist (VCL) requesting information relating to Petitioner's assets, including a number of accounts at multiple financial institutions held in Petitioner's name. Exhibit A, pp. 5-8.

3. On November 7, 2018, Petitioner returned to the Department the requested documents. At [REDACTED] & [REDACTED] (the credit union), Petitioner held two accounts in his own name, with a total of \$[REDACTED] as of September 30, 2018. Petitioner held two other accounts at the credit union jointly with his mother, [REDACTED], with a total of \$[REDACTED] as of September 30, 2018. Petitioner held an account at [REDACTED] with a balance of \$[REDACTED] as of October 10, 2018. Petitioner held an investment account with E\*TRADE totaling \$[REDACTED] as of September 24, 2018. Exhibit A, pp. 12-13, 15-16.
4. On November 15, 2018, the Department issued to Petitioner a Notice of Case Action informing Petitioner that his application for FAP benefits was denied because he exceeded the asset limit for program eligibility. Exhibit A, pp. 2-4.
5. On November 21, 2018, Petitioner submitted to the Department a request for hearing objecting to the Department's denial of his FAP application.

### 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 submitted to the Department an application for FAP benefits on October 22, 2018. After Petitioner submitted the application, the Department requested information relating to Petitioner's accounts held at various financial institutions. Petitioner's responses to those requests showed that Petitioner was the sole account holder of four accounts with a cumulative total of \$[REDACTED]. Two other accounts were held jointly by Petitioner and his mother, [REDACTED]. Those accounts cumulatively totaled \$[REDACTED]. The Department deemed all of the accounts held by Petitioner, whether jointly or solely, to be Petitioner's assets. As the combined value of all those assets exceeded the asset limit for FAP eligibility, the Department denied Petitioner's application.

In order to be eligible for FAP benefits, a group must have countable assets of \$5,000 or less. BEM 400 (May 2018), p. 5. Assets include cash, which is defined to include checking and savings accounts. BEM 400, p. 15. For jointly held checking and savings accounts, the Department is required to count the entire amount **unless** the person claims

and verifies a different ownership, in which case each owner's share is the amount that person owns. BEM 400, p. 13.


The Department followed Department policy and law when it determined that the value of Petitioner's assets exceeded the asset limit for FAP eligibility. Based on Petitioner's application and subsequent submissions, Petitioner had assets totaling approximately \$ [REDACTED] well over the asset eligibility limit. Petitioner presented no evidence upon which to conclude that he claimed and verified to the Department that the amount of assets in the joint accounts were owned by someone other than himself. He simply informed the Department that the accounts were jointly held with his mother and that not all of the assets were his. The Department lacked the knowledge required for it to make a determination as to what Petitioner's share of the account was valued at. Accordingly, the Department did as policy required and counted the entire amount towards Petitioner's asset value.

### **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 satisfied its burden of showing that it acted in accordance with Department policy when it denied Petitioner's FAP benefits application.

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

JM/hb

  
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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**

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**

[REDACTED]  
[REDACTED], MI [REDACTED]