



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: July 3, 2019
MOAHR Docket No.: 19-004854
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 June 27, 2019 from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Morgan Hafler, Hearings Facilitator, and Lacasa Godboldo, Eligibility Specialist. During the hearing, a 28-page packet of documents was offered and admitted into evidence as Exhibit A, pp. 1-28.

ISSUE

Did the Department properly determine Petitioner's eligibility for Food Assistance Program (FAP) benefits, effective April 1, 2019?

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 an ongoing recipient of FAP benefits from the Department in a group of two that consisted of herself and her minor child. In January, February, and March 2019, Petitioner received monthly FAP benefits of \$227. Exhibit A, p. 14.
2. On March 5, 2019, the Department issued to Petitioner a Notice of Case Action informing Petitioner that she was approved for FAP benefits of \$15 per month, effective April 1, 2019. The Notice of Case Action provided a chart that included all of the inputs the Department put into the equation to calculate Petitioner's FAP

allotment. The chart showed that the Department found Petitioner had monthly earned income of \$1,133, monthly unearned income of \$785, and monthly housing expenses of \$435. Furthermore, the chart showed that Petitioner received the standard deduction of \$158 and had the heat/utility (h/u) standard of \$543 incorporated. Exhibit A, pp. 11-13.

3. On [REDACTED] 2019, Petitioner submitted to the Department a request for hearing objecting to the Department's reduction in her monthly FAP benefits, effective April 1, 2019.

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 objected to the Department's calculation of Petitioner's monthly FAP benefits, effective April 1, 2019. Prior to that date, Petitioner's group of two was receiving \$227 in FAP benefits per month. Effective April 1, 2019, Petitioner was determined to be eligible for \$15 in FAP benefits per month.

Petitioner's monthly FAP benefits, effective April 1, 2019, were calculated on the basis of Petitioner having monthly earned income of \$1,133, monthly unearned income of \$785, and monthly housing expenses of \$435. Furthermore, the calculation included a standard deduction of \$158 and the application of the heat/utility (h/u) standard of \$543.

Petitioner acknowledged the unearned income amount. However, she disputed the amount of earned income. The Department testified that it determined Petitioner had monthly earned income of \$375 as a chore provider, which Petitioner acknowledged.

[REDACTED] Central United Methodist [REDACTED] Two months worth of paycheck stubs were presented during the hearing that showed that Petitioner worked approximately 18 hours per week at a rate of pay of \$10.28 per hour. That comes out to a weekly earned income from that employment of \$188.57. To turn that into a monthly figure, the weekly amount must be multiplied by the number of weeks per month, which is 4.3. Accordingly, Petitioner had monthly earned income of \$810.86 attributable to the employment with [REDACTED]

[REDACTED] When added to the income as a chore provider, it shows that Petitioner's monthly earned income was \$1,185.86, which is slightly higher than the amount found

by the Department. How the Department arrived upon a final calculation of \$1,133 is unknown. However, if any error was made, it accrued to Petitioner's favor and will not be disturbed by Petitioner's appeal. Accordingly, I find that the Department's calculation of September earned income of \$1,133 will remain in place.

When determining Petitioner's total income, the earned income is reduced by a 20% deduction and added to the \$785 in unearned income, which comes to a total of \$1,691 in monthly income. The standard deduction of \$158 was then taken out, resulting in adjusted gross income of \$1,533. Petitioner did not report any child care, medical, or child support expenses. Thus, those deductions are not applicable.

However, Petitioner is eligible for the excess shelter deduction. Petitioner had housing costs of \$435 and was eligible for the h/u standard of \$543. Adding the expenses Petitioner qualified for together, Petitioner had monthly shelter expenses of \$978. The excess shelter deduction is calculated by subtracting from the \$978 one half of the adjusted gross income of \$1,533, which is \$766. The remaining amount, if it is greater than \$0, is the excess shelter deduction. In this case, the remaining amount is \$212, which the Department properly calculated as Petitioner's excess shelter deduction. Exhibit A, p. 21. Petitioner's net income of \$1,321 is calculated by subtracting the excess shelter deduction (\$212) from the adjusted gross income (\$1,533), which is what the Department properly found. Exhibit A, p. 21.

The Food Assistant Issuance Table shows \$15 in benefits for \$1,321 net income for a household of two. RFT 260 (October 2018), p. 19. This is the amount determined by the Department and is correct. The Department acted in accordance with Department policy when it determined Petitioner's FAP benefits for April 1, 2019, ongoing.

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 benefits for April 1, 2019, ongoing. Accordingly, the Department's decision is **AFFIRMED**.

JM/cg


John Markey
Administrative Law Judge
for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-8139

Via Email:

MDHHS-Wayne-55-Hearings
M. Holden
D. Sweeney
BSC4- Hearing Decisions
MOAHR

Petitioner – Via First-Class Mail:

[REDACTED]
[REDACTED]
[REDACTED]