



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], MI [REDACTED]

Date Mailed: July 5, 2019
MOAHR Docket No.: 19-005584
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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, telephone hearing was held on June 27, 2019, from Lansing, Michigan. Petitioner represented herself. The Department of Health and Human Services was represented by Mark Logan and Katherine Bowman.

ISSUE

Did the Department of Health and Human Services (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] 2019, the Department received Petitioner's application for Food Assistance Program (FAP) benefits as a group of three. Exhibit A, pp 4-11.
2. On April 22, 2019, the Department sent Petitioner a Verification Checklist (DHS-3503) with a May 2, 2019, due date. Exhibit A, pp 15-16.
3. The Department received paycheck stubs showing earned income received by a household member in the gross weekly amounts of \$ [REDACTED] \$ [REDACTED] \$ [REDACTED] and \$ [REDACTED] Exhibit A, pp 33-36.
4. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED] Exhibit A, p 40.

5. A member of Petitioner's household receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED] Exhibit A, p 43.
6. Petitioner is entitled to a \$143 deduction for medical expenses.
7. Petitioner reported monthly housing expenses of \$355 during an interview on April 22, 2019. Exhibit A, pp 12-13.
8. On May 24, 2019, the Department received Petitioner's verbal request for a hearing protesting the denial of her application for Food Assistance Program (FAP) benefits. Exhibit A, p 3.

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 income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. Department of Human Services Bridges Eligibility Manual (BEM) 505 (October 1, 2017), pp 7-8.

The Department will consider only the medical expenses of senior/disabled/veteran (SDV) persons in the eligible group or SDV persons disqualified for certain reasons. A FAP group is not required to but may voluntarily report changes during the benefit period. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (April 1, 2019), pp 8 – 9.

The Medical Expenses amount is determined by totaling allowable monthly medical expenses (rounded to whole dollar amounts) and reducing this amount by a \$35 medical deduction. Department of Health and Human Services Bridges Eligibility Manual (BEM) 556 (April 1, 2018), p 4.

The Department will verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, the Department will remove the old expense until the new expense is verified. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (April 1, 2019), p 14.

On [REDACTED] [REDACTED] 2019, the Department received Petitioner's application for FAP benefits as a group of three. The Department sent Petitioner a Verification Checklist (DHS-3503) with a May 2, 2019, due date. Some of the verifications received were not clear enough to read. On May 24, 2019, the Department had received sufficient documentation to determine eligibility for FAP benefits.

The most recent four weekly paycheck stubs received within the house indicate a prospective income of \$[REDACTED] which was determined by multiplying the average weekly gross earnings by the 4.3 conversion factor as directed by BEM 505. This earned income receives a 20% earned income deduction. When combined with the two social security payments received each month gives the household of three a total income of \$[REDACTED]. The group is entitled to the standard \$168 deduction, and a \$143 for medical premiums leaving them with an adjusted gross income of \$[REDACTED].

Petitioner reported a \$355 monthly housing expenses, and this amount combined with the \$543 standard heat and utility deduction is less than 50% of the group's adjusted gross income. Therefore, Petitioner is not entitled to a shelter deduction.

Without a shelter deduction, Petitioner's net monthly income is the same as her adjusted gross monthly income. A group of three with a net income of \$[REDACTED] is not eligible for any FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 250 (October 1, 2018), p 1.

Petitioner disputed the housing expenses applied to her eligibility for FAP benefits. Petitioner failed to offer verification of further shelter expenses that the Department had verification of, and the amount the Department used is consistent with the information reported during the eligibility interview.

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 is not eligible for Food Assistance Program (FAP) benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/hb



Kevin Scully
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

DHHS

Kimberly Kornoelje
121 Franklin SE
Grand Rapids, MI 49507

Kent County, DHHS

BSC3 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

Petitioner

[REDACTED]
[REDACTED], MI [REDACTED]