



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: October 20, 2017  
MAHS Docket No.: 17-011401  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Ellen McLemore**

**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 October 16, 2017, from Detroit, Michigan. Petitioner was present and represented himself. The Department of Health and Human Services (Department) was represented by Melisa Johnstone, Family Independence Manager, and Carol Raykovich, Assistance Payments Specialist.

**ISSUE**

Did the Department properly process 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 was an ongoing FAP recipient.
2. On July 20, 2017, the Michigan Administrative Hearing System (MAHS) issued a decision ordering the Department to redetermine Petitioner's FAP benefits back to April 1, 2017, and to issue any supplements if required by policy (Exhibit E).
3. The Department recalculated Petitioner's FAP benefit amount and determined he was entitled to \$16 per month for the period of April 1, 2017, through July 31, 2017, and \$194 for the month of August 2017.
4. On July 27, 2017, the Department sent Petitioner a Notice of Case Action informing him that his benefits were increased for the month of August 2017. The

months of April 2017 through July 2017 were not addressed in the Notice of Case Action, as after the recalculation, Petitioner was entitled to the same FAP benefit amount and there was no change in benefits for those months.

5. On August 24, 2017, Petitioner submitted a request for hearing disputing the Department's actions.

### **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 requested a hearing because he believed the Department failed to properly process his FAP benefits as of April 1, 2017, as ordered by MAHS in the decision issued on July 20, 2017. Pursuant to the July 20, 2017, decision, the Department had failed to properly include medical expense deductions when calculating Petitioner's FAP benefit amount. When recalculating Petitioner's benefit amount subsequent to the July 20, 2017, decision, the Department included the verified medical expenses in the months after they were reported. Petitioner argued they should have been budgeted in month that the expense was incurred.

As Petitioner qualifies as an SDV member, the group is entitled to deductions for verifiable medical expenses that the SDV member incurs in excess of \$35. BEM 554 (January 2017), p. 1. When budgeting expenses, Department policy requires that expenses are used from the same calendar month as the month for which benefits are being determined. BEM 554, p. 3. As an example, policy states June expenses are used to determine June's benefits. BEM 554, p. 3. However, expenses remain unchanged until the FAP group reports a change. BEM 554, p. 3. The Department must act on a change reported by means other than tape match within 10 days of becoming aware of the change. BAM 220 (April 2017), p. 7. Changes which result in an increase in the household's benefits must be effective no later than the first allotment issued 10 days after the date the change was reported, provided any necessary verification was returned by the due date. BAM 220, p. 7.

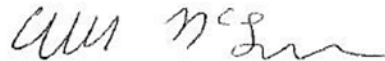
The Department presented Petitioner's Medical Expense Summary which shows all of Petitioner's verified medical expenses, as well as when the expenses were incurred and when they were reported to the Department (Exhibit B). The Department testified that the only ongoing expenses were Petitioner's Medicare Part B expense, which was

reported on February 28, 2017, and a monthly premium for private insurance that was reported on July 12, 2017. The remainder of Petitioner's medical expenses were one-time-only expenses and were only budgeted for one month. The Department presented the budgets for Petitioner's FAP benefits for April 2017 through August 2017. For April 2017 through July 2017, the Department considered Petitioner's ongoing Medicare Part B expense of \$125 plus all of the one-time-only medical expenses that were reported the month prior. For August 2017, the Department considered Petitioner's ongoing Medicare Part B expense, his ongoing private insurance premium, and the medical expenses that were reported the month prior. Petitioner confirmed that the medical expense amounts and report dates were correct. Therefore, the Department properly applied the medical expenses to month after they were reported. Thus, the Department properly processed Petitioner's FAP benefits.

### **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 processed Petitioner's FAP benefits.

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



EM/jaf

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**Ellen McLemore**  
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) 335-6088; 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**

MDHHS-Jackson-Hearings

**Petitioner**



BSC4  
M Holden  
D Sweeney  
E McLemore  
MAHS