



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED] MI [REDACTED]

Date Mailed: August 27, 2019  
MOAHR Docket No.: 19-007884  
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, a telephone hearing was held on August 22, 2019, from Lansing, Michigan. Petitioner represented herself. The Department of Health and Human Services was represented by Jerica Hall.

### **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. Exhibit N.
2. Petitioner reported an obligation to pay a monthly \$220 mortgage payment and a monthly \$481 mobile home lot rent on her May 30, 2019, application. Exhibit N.
3. Petitioner reported an obligation to pay a monthly \$250 health insurance premium. Exhibit N.
4. Petitioner's husband receives monthly earned income in the gross monthly amount of \$2,920. Exhibit C.
5. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$998. Exhibit E.

6. Three of Petitioner's children each receive Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$88. Exhibit F.
7. One of Petitioner's children receives child support in the gross monthly amount of \$469.78. Exhibit I.
8. Petitioner is responsible for paying Medicare Part B premiums of \$135.50 per month. Exhibit K.
9. Petitioner is responsible for a \$440 child support expense. Exhibit J.
10. On June 21, 2019, the Department notified Petitioner that she was not eligible for Food Assistance Program (FAP) benefits. Exhibit M.
11. On July 22, 2019, the Department received Petitioner's verbal request for a hearing protesting the denial of Food Assistance Program (FAP) benefits. Exhibit A.
12. On July 23, 2019, the Department received a list of medical expenses. Exhibit B.

### **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 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).

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 (August 1, 2017), 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 (July 1, 2013), p 4.

On [REDACTED], 2019, the Department received Petitioner's application for FAP benefits. Petitioner's husband receives earned income in the gross monthly amount of \$2,920, which was determined by converting the four weekly paychecks he received into a prospective monthly amount by multiplying the average of those checks by the 4.3 conversion factor as directed by BEM 505. Petitioner and three of her children receive RSDI in the combined gross monthly amount of \$1,262, and one child receives child support in the gross monthly amount of \$469.78.

Petitioner's adjusted gross monthly income of \$3,048 was determined by reducing the total household gross income by a 20% earned income deduction, a \$228 standard deduction, a \$440 child support expense deduction, and a \$351 medical deduction.

Petitioner reported on her May 30, 2019, application for assistance that she is responsible for a monthly \$220 mortgage payment and a monthly \$481 mobile home lot rent payment. Petitioner is also entitled to a \$543 standard heat and utility deduction because she is responsible for heating expenses separate from her housing expenses. Since Petitioner's total shelter expenses are less than 50% of her adjusted gross income, she is not entitled to a deduction for shelter expenses.

Therefore, Petitioner's net monthly income is the same as the adjusted gross income. A group of six with a net income of \$3,048 is not entitled to any FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 250 (October 1, 2018).

After her application for FAP benefits, Petitioner reported additional medical expenses not reported on her application for assistance.

However, these expenses were not available to the Department on June 21, 2019, when the Department denied Petitioner's FAP application. Further, the list of expenses reported to the Department after her application for assistance was denied have not been sufficiently verified by Petitioner's documents.

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 denied Petitioner's application 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**

Kelly Sutherland  
2300 E Grand River Ste. 1  
Howell, MI 48843

Livingston County, DHHS

BSC4 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

**Petitioner**

[REDACTED]  
[REDACTED], MI [REDACTED]