



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: February 1, 2022
MOAHR Docket No.: 21-005216
Agency No.: [REDACTED]
Petitioner: [REDACTED] [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, an in-person hearing was held on January 26, 2022, in Kent County. Petitioner represented herself. The Department was represented by Aley Haught.

ISSUE

Did the Department of Health and Human Services (Department) properly request verification of Petitioner's cash assets?

Did the Department of Health and Human Services (Department) properly determine Petitioner's certification period?

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility 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. Petitioner was an ongoing Food Assistance Program (FAP) recipient when the Department received her Mid-Certification Contact Notice (MDHHS-2240-A) on October 18, 2021, where she reported that there had been no changes to her assets or income.
2. On October 26, 2021, the Department received Petitioner's Redetermination (MDHHS-1010-FAP) form where she reported possessing cash assets totaling \$1,000.
3. Petitioner receives monthly income in the gross monthly amount of \$[REDACTED]

4. Petitioner reported that she is not responsible for any housing, medical, or childcare expenses.
5. On October 19, 2021, the Department notified Petitioner that she was eligible for ongoing Food Assistance Program (FAP) with a \$20 monthly allotment of benefits as of November 1, 2021.
6. Petitioner received a \$231 supplement of Food Assistance Program (FAP) benefits in October of 2021, and a \$230 supplement in November of 2021.
7. On [REDACTED] the Department received Petitioner's request for a hearing.

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) is funded under the federal Supplemental Nutrition Assistance Program (SNAP) established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 through 7 USC 2036a. It is implemented by the federal regulations contained in 7 CFR 273. The Department administers FAP pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq*, and Mich Admin Code, R 400.3001 through 400.3011.

Assets means cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees, and fences. Condominiums are real property. Personal property is any item subject to ownership that is not real property. Countable assets cannot exceed the applicable asset limit. An asset is countable if it meets the availability tests and is not excluded. Available means that someone in the asset group has the legal right to use or dispose of the asset. Department of Human Services Bridges Eligibility Manual (BEM) 400 (January 1, 2021), pp 1-7.

Petitioner argued that requiring her to provide verification of her countable assets was an unjust barrier to her receipt of FAP benefits since those benefits are based on her income.

While Petitioner is correct that the level of FAP benefits is determined based on countable income and expenses, Department policy requires that assets be considered when determining eligibility for FAP benefits. Any household with more than \$15,000 of available assets is totally ineligible for FAP benefits. BEM 400, p 5. Further, assets are an eligibility criterion for other benefits not addressed by Petitioner's hearing request.

Therefore, it is necessary for the Department to verify countable assets in order to accurately determine eligibility for ongoing FAP benefits. When eligibility for FAP

benefits is not accurately determined, this can lead to overissuances of benefits, which negatively impacts FAP recipients.

Petitioner argues that she is required to report her circumstances to the Department to frequently.

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness. The Michigan Office of Administrative Hearings and Rules (MOAHR) may grant a hearing for any of the following:

- Denial of an application and/or supplemental payments.
- Reduction in the amount of program benefits or service.
- Suspension or termination of program benefits or service.
- Restrictions under which benefits, or services are provided.
- Delay of any action beyond standards of promptness.
- For FAP only, the current level of benefits or denial of expedited service.

Department of Human Services Bridges Administrative Manual (BAM) 600
(January 1, 2020), p 5.

Households receiving FAP benefits may be assigned to certification periods of 12 or 24 months in length, but the certification period does not affect the household's eligibility for benefits so long as the recipients comply with the duties and responsibilities of receiving public benefits. Many of the technical details of processing FAP benefits, including certification periods and the date that benefits are distributed, are solely the responsibility of the Department, and there is no entitlement to be assigned to a specific certification period.

Petitioner is an ongoing recipient of FAP benefits as a household of one, and she is considered to be a senior/disabled/veteran benefit recipient. Petitioner receives monthly income in the gross monthly amount of \$██████ which was not disputed during the hearing. Petitioner reported that she is not responsible for any countable housing, medical, or childcare expenses. The only deduction Petitioner is entitled to is the \$177 standard deduction. Therefore, Petitioner's adjusted gross income of \$██████ was determined by reducing her gross income by the standard deduction.

Petitioner would be entitled to a deduction for shelter expenses exceeding 50% of her adjusted gross income, but since she had no shelter expenses, there is no shelter deduction. Petitioner's net income is the same as her adjusted gross income. A household of one with a net income of \$[REDACTED] is entitled to a \$20 monthly allotment of FAP benefits.

In addition to her monthly allotment of FAP benefits, Petitioner is entitled to supplemental FAP benefits through the Consolidated Appropriations Act of 2021. Under this act, the federal government provides supplemental food assistance to address temporary food needs due to Covid-19 pandemic-related economic conditions. These changes demonstrate active efforts by the Department to take steps necessary to provide benefits to Michigan's FAP households and assist in maintaining adequate food supply during this continued time of economic uncertainty and need.


The hearing record supports a finding that Petitioner is receiving the maximum amount of FAP benefits, including the emergency federal supplemental benefits, that a household of one is entitled to receive under state law and federal regulations. This level of FAP benefits may change if changes are made by the federal government to the Consolidated Appropriations Act, but no evidence was presented during Petitioner's hearing to establish that she had suffered any loss of benefits.

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 eligibility for Food Assistance Program (FAP) benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr



Kevin Scully
Administrative Law Judge
Michigan Office of Administrative Hearings
and Rules (MOAHR)

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- via electronic mail

BSC3- via electronic mail

M. Holden- via electronic mail

D. Sweeney- via electronic mail

Petitioner

██████████ - via first class mail

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██████████, MI ██████████