GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: August 25, 2022 MOAHR Docket No.: 22-003007

Agency No.:

Petitioner:

**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 August 23, 2022, from Lansing, Michigan. Petitioner represented herself. The Department was represented by Kim Kilmer.

#### **ISSUE**

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 is an ongoing Food Assistance Program (FAP) recipient as a household of one.
- 2. Petitioner receives a monthly income in the gross monthly amount of \$
- 3. Petitioner's monthly housing expense is \$239 per month, which includes utilities.
- 4. On July 16, 2022, the Department notified Petitioner that her monthly allotment of Food Assistance Program (FAP) benefits would be reduced to \$40. Exhibit A, p 6.
- 5. On July 22, 2022, the Department received Petitioner's request for a verbal hearing protesting the reduction to her monthly allotment of Food Assistance Program (FAP) benefits. Exhibit A, pp 3-5.

## **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.

The heat and utility standard covers all heat and utility costs including cooling, except actual utility expenses. FAP groups that qualify for the heat and utility standard do not receive any other individual utility standards. A FAP group which has a heating expense or contributes to the heating expense separate from rent, mortgage or condominium/maintenance payments must use the heat and utility standard. Department of Human Services Bridges Eligibility Manual (BEM) 554 (January 1, 2020), pp 15-21.

Petition is an ongoing FAP recipient as a household of one. Petitioner received a monthly income in the gross monthly amount of which was not disputed during the hearing. Petitioner's adjusted gross income of was determined by reducing her gross income by the \$177 standard deduction.

FAP recipients are entitled to a deduction for housing expenses. Petitioner had previously received the standard heat and utility deduction, but no longer qualifies for that deduction. Petitioner is responsible for monthly housing expenses of \$239, and she received a \$30 standard deduction for telephone expenses. Because Petitioner's total monthly housing expenses are less than half of her adjusted gross income, she does not receive any shelter deduction.

Since Petitioner is not entitled to a shelter deduction, her monthly net income is the same as her adjusted gross income. A household of one with a net income of sentitled to a \$40 monthly allotment of FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2021), p 10.

Petitioner is not entitled to the \$559 standard heat and utility deduction because her utility expenses are included in her monthly rent, but this expense could be restored if she applies for and receives a home heating credit in an amount greater than \$20. The home heating credit is not a DHHS program and Petitioner will have to apply for this credit, but if she were to receive this credit, her eligibility for FAP benefits in the future would change.

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 <u>Via-Electronic Mail :</u> DHHS

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**Interested Parties** 

Mecosta/Osceola County DHHS

BSC3

M. Holden

D. Sweeney

<u>Via-First Class Mail :</u>

Petitioner

