



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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██████, MI ██████

Date Mailed: October 24, 2022
MOAHR Docket No.: 22-004114
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, a telephone hearing was held on October 19, 2022, from Lansing, Michigan. Petitioner represented herself. The Department was represented by April Sprague. Interpreter #██████ of Sorenson Communications acted as an interpreter for Petitioner.

ISSUE

Did the Department of Health and Human Services (Department) properly close 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. On ██████ 2022, the Department received Petitioner's application for Food Assistance Program (FAP) benefits. Exhibit A, pp 9-15.
2. On August 11, 2022, the Department notified Petitioner that she was not eligible for Food Assistance Program (FAP) benefits effective September 1, 2022. Exhibit A, pp 23-30.
3. Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$██████
4. Petitioner's children each receive monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$██████
5. Petitioner incurred a verified one-time medical expense of \$682.

6. On September 7, 2022, the Department received Petitioner's request for a hearing protesting the closure of her Food Assistance Program (FAP) benefits. Exhibit A, pp 6-8.

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.

When determining countable expenses towards eligibility for FAP benefits, the Department will only consider the medical expenses of senior/disabled/veterans in the eligible household. Recipients of FAP benefits are not required to but may voluntarily report medical expenses during the benefit period. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (October 1, 2022), pp 8-9.

An SDV group that has a verified one-time or ongoing medical expense(s) of more than \$35 for an SDV person(s) will receive the SMD. The SMD is \$165. If the group has actual medical expenses which are more than the SMD, they have the option to verify their actual expenses instead of receiving the SMD. BEM 554, p 9.

Groups that do not have a 24-month benefit period may choose to budget a one-time-only medical expense for one month or average it over the balance of the benefit period. Groups that have 24-month benefit periods must be given the following options for one-time-only medical expenses billed or due within the first 12 months of the benefit period:

1. Budget it for one month.
2. Average it over the remainder of the first 12 months of the benefit period.
3. Average it over the remainder of the 24-month benefit period.

BEM 554 pp 9-10.

Petitioner applied for FAP benefits on [REDACTED] 2022, as a household of three people. Petitioner's household received a total gross monthly income of \$[REDACTED] consisting of the RSDI benefits that each of the three household members receive. The Department determined Petitioner's adjusted gross income by reducing her totaling income by the \$177 standard deduction.

Petitioner is eligible for the standard \$559 heat and utility deduction, but no other verified shelter expenses. Since Petitioner's shelter expenses are less than 50% of her adjusted gross income, she is not entitled to an excess shelter deduction. With no excess shelter deduction, Petitioner's net income is the same as her adjusted gross income. A household with a net monthly income exceeding \$1,830 is not eligible for FAP benefits. Department of Health and Human Services Reference Table Manual (RFT) 250 (October 1, 2021), p 1.

Petitioner incurred a one-time medical expense of \$682, and as a disabled FAP recipient, she is entitled to a deduction for that countable expense. Initially, the Department applied this one-time expense towards her eligibility for FAP benefits in August of 2022, but Department policy allows countable medical expenses to be averaged over a longer period of time.

When Petitioner's \$682 medical expenses is averaged over a 12-month period, this leaves her with a monthly \$56.83 medical deduction. Since this expense exceeds \$35, Petitioner is entitled to take the standard \$165 medical deduction as directed by BEM 554.

Adding the \$165 standard medical deduction to Petitioner's case reduces her adjusted gross income to \$[REDACTED] which was determined by reducing her total gross monthly income by the \$177 standard deduction and the \$165 standard medical deduction.


However, Petitioner's countable shelter expenses continue to be less than 50% of her adjusted gross income and she is not entitled to an excess shelter deduction. With no excess shelter deduction, Petitioner's net income continues to exceed the \$1,830 monthly income limit for a household of three.

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/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

Via-Electronic Mail :

DHHS

Janice Collins
Genesee County DHHS Union St
District Office
125 E. Union St 7th Floor
Flint, MI 48502

**MDHHS-Genesee-UnionSt-
Hearings@michigan.gov**

Interested Parties

Genesee Union St. County DHHS
BSC2
M. Holden
D. Sweeney
MOAHR

Via-First Class Mail :

Petitioner

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