



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
SUZANNE SONNEBORN  
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA  
ACTING DIRECTOR

[REDACTED]  
[REDACTED], MI [REDACTED]

Date Mailed: December 7, 2023  
MOAHR Docket No.: 23-007749  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Christian Gardocki**

### **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 hearing was held via telephone conference line on November 29, 2023. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Lekeitia Cokley, supervisor.

### **ISSUE**

The issue is whether MDHHS properly denied Food Assistance Program (FAP) to Petitioner in October 2023.

### **FINDINGS OF FACT**

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of August 2023, Petitioner was a FAP benefit recipient member of a three-person benefit group with a benefit period certified through September 2023.
2. Beginning October 2023, MDHHS ended Petitioner's FAP eligibility.
3. In October 2023, Petitioner received wage payments of \$ [REDACTED] and \$ [REDACTED] from ABC Holdings (Employer1).

4. In October 2023, Petitioner received wage payments of \$ [REDACTED] \$ [REDACTED] and \$ [REDACTED] from Lear Corporation (Employer2).
5. On October 24, 2023, Petitioner requested a hearing to dispute the termination of FAP benefits.
6. On November 13, 2023, MDHHS approved Petitioner for FAP benefits beginning November 2023. FAP eligibility for October 2023 was denied due to excess net income based on wages of \$ [REDACTED]

### **CONCLUSIONS OF LAW**

The 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. MDHHS administers the FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-119b, and Mich Admin Code, R 400.3001-.3011. FAP policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing on October 24, 2023, to dispute FAP benefits. Exhibit A, pp. 3-5. As of October 24, 2023, MDHHS terminated Petitioner's FAP eligibility beginning October 2023. MDHHS later approved Petitioner for FAP benefits beginning November 2023. A Notice of Case Action dated November 13, 2023 stated Petitioner' remained ineligible for FAP benefits in October 2023 due to excess net income.<sup>1</sup> Exhibit C, pp. 1-9. Petitioner only disputed being ineligible for FAP benefits in October 2023.<sup>2</sup>

FAP benefit amounts are determined by a client's net income. BEM 556 outlines the factors and calculations required to determine a client's net income. FAP net income is based on group size, countable monthly income, and relevant monthly expenses. MDHHS presented FAP budgets from October 2023 which were discussed during the hearing.<sup>3</sup> During the hearing, Petitioner acknowledged that the following monthly budgets factors used by MDHHS were correct: group size of 3, child support income of \$221, child support expenses of \$0, dependent care expenses of \$0, and housing expenses; MDHHS issued the maximum utility credit of \$680 to Petitioner. Petitioner's only budget dispute concerned \$ [REDACTED] in wages counted by MDHHS.

In October 2023, Petitioner received wages from two jobs. TheWorkNumber documents from Employer1 verified payments in October 2023 to Petitioner of \$ [REDACTED] and \$ [REDACTED] Exhibit A, pp. 36-37. TheWorkNumber documents from Employer2 verified payments in October 2023 to Petitioner of \$ [REDACTED] \$ [REDACTED] and \$ [REDACTED] Exhibit A, pp. 34-35. Adding

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<sup>1</sup> A Notice of Case Action dated November 6, 2023, stated that Petitioner was denied due to excess gross income. Exhibit B, pp. 1-9.

<sup>2</sup> MDHHS should have processed Petitioner's FAP eligibility before the end of the benefit period because Petitioner timely returned documentation and verifications (see BAM 210). Exhibit A, pp. 6-25. The evidence established that MDHHS processed Petitioner's eligibility after the certified benefit period.

<sup>3</sup> The budgets were emailed during the hearing but not admitted as an exhibit.

Petitioner's wages results in total wages of \$ [REDACTED] MDHHS provided no explanation for how or why it budgeted \$ [REDACTED] in wages.<sup>4</sup>

Given the evidence, MDHHS failed to establish that it properly calculated Petitioner's employment income for October 2023. Thus, MDHHS improperly denied FAP benefits to Petitioner in October 2023 due to excess net income. As a remedy, MDHHS will be ordered to reprocess Petitioner's FAP eligibility for October 2023.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly determined Petitioner's FAP eligibility for October 2023. It is ordered that MDHHS commence the following actions within 10 days of the date of mailing of this decision:

- (1) Process Petitioner's FAP eligibility for October 2023 subject to the finding that MDHHS failed to establish that Petitioner's countable wages were \$ [REDACTED] and
- (2) Issue notice and supplements, if any, in accordance with policy.

The actions taken by MDHHS are **REVERSED**.

CG/nr



**Christian Gardocki**

Administrative Law Judge

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<sup>4</sup> MDHHS testified its database converts weekly and biweekly income to monthly amounts. Indeed, MDHHS policy converts weekly income by multiplying an average weekly income by 4.3 (see BAM 505). The conversion is inapplicable to the present case because a conversion is not required when actual income is budgeted. *Id.* Furthermore, a conversion of Petitioner's income would not result in \$3,629 in monthly wages,

**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**  
Richard Latimore  
Wayne-Conner-DHHS  
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**MDHHS-Wayne-57-  
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**Interested Parties**  
Wayne 57 County DHHS  
BSC4  
M. Holden  
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**Via-First Class Mail :**

**Petitioner**  
[REDACTED]  
[REDACTED], MI [REDACTED]