



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: February 2, 2024
MOAHR Docket No.: 23-009919
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On December 26, 2023, Petitioner, [REDACTED] requested a hearing to dispute the decrease in her Food Assistance Program (FAP) benefits. As a result, a hearing was scheduled to be held on February 1, 2024, pursuant to MCL 400.9, 7 CFR 273.15, and Mich Admin Code, R 792.11002. Petitioner appeared at the hearing and represented herself. [REDACTED] appeared as a witness for Petitioner. Respondent, Department of Health and Human Services (Department), had Lindsey Colon, Assistance Payments Supervisor, appear as its representative.

A 22-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Did the Department properly determine Petitioner's eligibility for Food Assistance Program (FAP) benefits effective January 2024?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. In January 2024, Petitioner's SSA income increased from [REDACTED] per month to [REDACTED] per month.
2. Petitioner has a household size of 1.
3. Petitioner reported that she pays \$136.56 in property taxes.

4. Petitioner received the standard deduction of \$198.00 and excess shelter deduction of \$264.00.
5. Petitioner received the heat/utility standard of \$680.00.
6. On December 9, 2023, the Department sent Petitioner a Notice of Case Action stating that her FAP benefits would be reduced to \$38.00 per month effective January 2024.
7. On December 26, 2023, Petitioner requested a hearing to dispute the Department's decision.

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 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.

The Department uses countable income to determine eligibility and benefit levels. Income remaining after applying the policy in the income related items is called countable. For FAP purposes, all earned and unearned income available to an applicant or recipient is countable. The Department uses gross income when determining countable income. Gross income is the amount of income before any deductions such as taxes or garnishments, and the amount counted may be more than the client actually receives. BEM 500.

In calculating the FAP budget, the Department considers the gross benefit amount of Social Security Administration issued Supplemental Security Income (SSI) as unearned income. BEM 503, January 1, 2023, p. 35.

Every case is allowed the standard deduction shown in RFT 255. BEM 550, p. 1. The standard income deduction for Petitioner's FAP group size of 1 was \$198.00. After subtracting that standard deduction for Petitioner's gross monthly unearned income, the adjusted gross income would be [REDACTED] [REDACTED]. BEM 550.

Bridges, the Department's computer information system, uses certain expenses to determine net income for FAP eligibility and benefit levels. For groups with one or more senior/disabled/disabled veteran (SDV) member, Bridges uses the following: (1) dependent care expense; (2) excess shelter; (3) court ordered child support and

arrearages paid to non-household members, and (4) medical expenses for the SDV member(s) that exceed \$35.00. BEM 554, p. 1. The evidence on the record establishes that Petitioner did not qualify for a dependent care, medical or child support expense deduction.

Petitioner's monthly housing expense was \$136.56. Petitioner was entitled to a heat and utility expense of \$680.00, which resulted in a total shelter amount of \$817.00 (\$136.56 + \$680.00). The Department was required to deduct 50% of Petitioner's adjusted gross income (████████████████████) from the total shelter amount, which left an adjusted excess shelter amount of \$264.00 (\$817.00-\$553.00).

Petitioner was entitled to have her adjusted excess shelter amount or excess shelter deducted from her adjusted gross income, leaving a net income amount of (████████████████████). BEM 550.

Petitioner did not dispute the unearned income amount that was used in computing her FAP budget. However, Petitioner argued that her mortgage should be a countable expense because she pays the mortgage on a home located on her property. Petitioner indicated that she does not reside in the home but that she resides in a mobile home that is located on the property and does not have a payment for the mobile home.

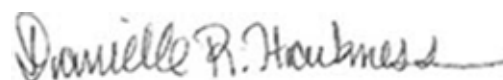
A shelter expense is allowed when the FAP group has a shelter expense or contributes to the shelter expense. BEM 554, February 1, 2024, p. 13. In this case, because Petitioner does not reside in the home that she is paying the mortgage on, the mortgage payment for the home is not a countable shelter expense.

The food assistance issuance table can be found in Bridges RFT 260. This table provides the amount of monthly FAP benefits a client can receive based on monthly net income and household size. According to RFT 260, Petitioner's FAP group size of one with countable net income of (████████) is entitled to a \$38.00 monthly FAP allotment. Therefore, the Department properly reduced Petitioner's monthly FAP benefit.

DECISION AND ORDER

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 FAP benefits.

Accordingly, the Department's decision is **AFFIRMED**.



Danielle R. Harkness
Administrative Law Judge

DH/ml

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
Melissa Brandt
Ionia County DHHS
920 East Lincoln St
Ionia, MI 48846
MDHHS-IONIA-Hearings@michigan.gov

Interested Parties
BSC3
M Holden
B Cabanaw
N Denson-Sogbaka

Via First Class Mail:

Petitioner
[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]