



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]
[REDACTED], MI [REDACTED]

Date Mailed: February 16, 2024
MOAHR Docket No.: 24-000541
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On January 9, 2024, Petitioner, [REDACTED] [REDACTED] requested a hearing to dispute her Food Assistance Program (FAP) application denial. As a result, a hearing was scheduled to be held on February 15, 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. The Department of Health and Human Services (Department) was represented by Melissa Stanley, Hearings Facilitator.

A 37-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Did the Department properly deny Petitioner's application for FAP benefits from December 4, 2023, through December 31, 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. On [REDACTED] [REDACTED] 2023, Petitioner applied for FAP benefits.
2. On December 5, 2023, the Department mailed to Petitioner a Verification Checklist. The form instructed Petitioner to submit information to verify her partner's earnings by December 15, 2023.
3. On January 4, 2024, the Department sent a Notice of Case Action to Petitioner denying Petitioner's application for not returning the requested verifications.

4. On January 26, 2024, the Department corrected their January 4, 2024, action as Petitioner had timely returned the requested verifications.
5. Petitioner has a household size of 5.
6. Petitioner receives gross pay per month of \$ [REDACTED] from SSI, \$ [REDACTED] from RSDI, and \$ [REDACTED] from a state supplemental SSI check.
7. On the following dates, Petitioner's partner received the following wages from his employment:
 - a. November 3, 2023, \$ [REDACTED]
 - b. November 7, 2023, \$ [REDACTED]
 - c. December 1, 2023, \$ [REDACTED]
8. Petitioner's monthly housing costs were \$1,408.63 and because Petitioner reported that she pays for heat, Petitioner received the heat/utility standard of \$680.00.
9. On January 26, 2024, the Department sent a Notice of Case Action to Petitioner denying Petitioner's application for FAP benefits due to excess income for the period of December 4, 2023, through December 31, 2023.
10. On January 9, 2024, Petitioner requested a hearing to dispute the Department's denial.

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.

Here, Petitioner submitted check stubs to verify her partner's wages. His wages totaled \$ [REDACTED] (\$ [REDACTED] + \$ [REDACTED] + \$ [REDACTED]). An incorrect earned income total of \$ [REDACTED] was used by the Department, however, this error benefits Petitioner.

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. RSDI is a federal benefit administered by the Social Security Administration that is available to retired and disabled individuals, their dependents, and survivors of deceased workers. Bridges counts the gross benefit amount as unearned income. *Id.* p. 29.

Petitioner receives \$378.00 from SSI, \$585.00 from RSDI, and \$14.00 from a state supplemental SSI check on a monthly basis. These amounts were added resulting in unearned income of \$ [REDACTED] (\$ [REDACTED] + \$ [REDACTED] + \$14.00).

Petitioner's monthly earned income of \$ [REDACTED] was added to her monthly unearned income of \$ [REDACTED] resulting in a total monthly income amount of \$ [REDACTED] (\$ [REDACTED] + \$ [REDACTED]). An earned income deduction of 20% (.20 x \$6,089.00) was subtracted from her total income amount resulting in \$ [REDACTED].

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 5 was \$244.00. After subtracting that standard deduction from Petitioner's gross monthly unearned income, the adjusted gross income would be \$ [REDACTED] (\$ [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 \$1,408.63. Petitioner was entitled to a standard heat and utility expense of \$680.00, which resulted in a total shelter amount of \$2,089.00 (\$1,408.63 + \$680.00). The Department was required to deduct 50% of Petitioner's adjusted gross income (.5 x \$5,604.00) from the total shelter amount, which left an adjusted excess shelter amount of \$0.00 (\$2,089.00 - \$2,802.00).

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 \$ [REDACTED] (\$ [REDACTED] - \$0.00). BEM 550.

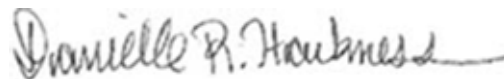
Petitioner asserted that she does not have enough money remaining after her household's bills are paid to pay for food. However, no evidence was provided by Petitioner to show that the Department's decision was contrary to the law and Department policy.

Based on the evidence presented, Petitioner failed to establish that the Department improperly denied her application for FAP benefits.

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 properly denied Petitioner's application for FAP benefits from December 4, 2023, through December 31, 2023.

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



DH/nr

Danielle R. Harkness
Administrative Law Judge

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
Elisa Daly
Saginaw County DHHS
411 East Genesee
Saginaw, MI 48607
**MDHHS-Saginaw-
Hearings@michigan.gov**

Interested Parties
Saginaw County DHHS
BSC2
M. Holden
N. Denson-Sogbaka
B. Cabanaw
MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]