



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  
DIRECTOR

[REDACTED]  
[REDACTED], MI [REDACTED]

Date Mailed: March 21, 2024  
MOAHR Docket No.: 24-001701  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness**

### **HEARING DECISION**

On February 8, 2024, Petitioner, [REDACTED] [REDACTED] requested a hearing to dispute a Food Assistance Program (FAP) application denial. As a result, a hearing was scheduled to be held on March 19, 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 Lori Turner, Eligibility Specialist.

A 25-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 [REDACTED] [REDACTED] 2024, application for 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 [REDACTED] [REDACTED] 2024, Petitioner applied for FAP benefits.
2. On January 30, 2024, the Department sent a Notice of Case Action to Petitioner denying Petitioner's application for excess income.
3. Petitioner has a group size of 5.
4. Petitioner receives \$1,174.70 per month in Retirement, Survivors, and Disability Insurance (RSDI) and her husband receives \$2,339.70 per month in RSDI.

5. On Petitioner's [REDACTED] 2024, FAP application and during the February 26, 2024, prehearing conference, Petitioner reported receiving \$ [REDACTED] in earned income per month.
6. Petitioner reported paying \$980.00 per month in rent and because Petitioner reported that she pays for heat/electricity/water, Petitioner received the heat/utility standard of \$680.00.
7. Both Petitioner and her husband are responsible for Medicare Part B Premiums, so Petitioner received a medical deduction of \$314.00.
8. On January 30, 2024, the Department sent a Notice of Case Action to Petitioner denying Petitioner's January 3, 2024, application for FAP benefits due to excess income.
9. On February 8, 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 reported that she receives \$ [REDACTED] in earned income.

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 \$1,174.70 in RSDI, and her husband receives \$2,339.70 in RSDI. These amounts were added resulting in unearned income of \$3,513.00 (\$1,174.00 + \$2,339.00).

Petitioner's monthly earned income of \$ [REDACTED] was added to her monthly unearned income of \$3,513.00, resulting in a total monthly income amount of \$5,460.00 (\$1,947.00 + \$3,513.00). An earned income deduction of \$390.00 was subtracted from her total income amount resulting in \$ [REDACTED] in income.

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 the standard deduction from Petitioner's income amount, the adjusted gross income would be \$ [REDACTED] (\$5,070.00 - \$244.00). 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 and her husband are responsible for Medicare Part B Premiums, so Petitioner received a medical deduction of \$314.00. After subtracting the medical deduction from Petitioner's adjusted gross income, the final adjusted gross income amount is \$ [REDACTED] (\$4,826.00 - \$314.00).

Petitioner reported paying \$980.00 per month in rent. Petitioner was entitled to a standard heat and utility expense of \$680.00, which resulted in a total shelter amount of \$1,660.00 (\$980.00 + \$680.00). The Department was required to deduct 50% of Petitioner's adjusted gross income (.5 x \$4,512.00) from the total shelter amount, which left an adjusted excess shelter amount of \$0.00 (\$1,660.00 - \$2,256.00).

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 \$4,512.00 (\$4,512.00 - \$0.00). BEM 550. Petitioner's net income of \$ [REDACTED] exceeds the net income limit of \$2,929.00 for a group size of 5. Therefore, the denial due to excess income was proper and correct and consistent with Department policy.

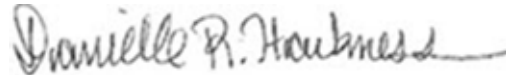
Petitioner asserted that she does not have enough money remaining after paying other household expenses to pay for food. However, no evidence was provided by Petitioner to show that the Department's decision was contrary to the law and Department policy.

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 [REDACTED] 2024, application for FAP benefits.

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**

Tara Roland 82-17  
Wayne-Greenfield/Joy-DHHS  
8655 Greenfield  
Detroit, MI 48228  
**MDHHS-Wayne-17-  
hearings@michigan.gov**

**Interested Parties**

Wayne 17 County DHHS  
BSC4  
M. Holden  
N. Denson-Sogbaka  
B. Cabanaw  
MOAHR

**Via-First Class Mail :**

**Petitioner**

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