



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

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Date Mailed: April 12, 2024  
MOAHR Docket No.: 24-002502  
Agency No.: ██████████  
Petitioner: ██████████

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

**HEARING DECISION**

On February 26, 2024, Petitioner, ██████████, requested a hearing to dispute her eligibility for Food Assistance Program (FAP) benefits beginning April 1, 2024. As a result, a hearing was scheduled to be held on April 11, 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 DeVona Gilbert, Hearings Facilitator.

**ISSUE**

Did the Department properly determine Petitioner's eligibility for FAP benefits beginning April 1, 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. Petitioner applied for FAP benefits on ██████████, 2023.
2. Petitioner has a household size of 3.
3. On December 19, 2023, a Notice of Case Action was issued stating that Petitioner's FAP benefit amount would be \$140.00 from November 20, 2023, through November 30, 2023; \$384.00 from December 1, 2023, through December 31, 2023; and \$766.00 per month from January 1, 2024, through October 31, 2024.
4. On January 15, 2024, Petitioner submitted income verification for the first check she received from her new job at ██████████ and the last check dated December 29, 2023, that she received from her previous employer, ██████████.

5. On February 20, 2024, a Notice of Case Action was issued stating that Petitioner's FAP benefit case would be closed effective April 1, 2024, due to Petitioner's group's net income exceeding program limits.
6. On February 27, 2024, the Department reviewed Petitioner's case and determined that Petitioner's group's earned income was not being properly budgeted, and corrections were made.
7. Petitioner received \$ [REDACTED] in gross wages.
8. Petitioner's group's Retirement, Survivors, and Disability Insurance (RSDI) income increased from \$ [REDACTED] to \$ [REDACTED] per month.
9. Petitioner's monthly housing costs were \$551.00 and because Petitioner reported that she pays for heat, Petitioner received the heat/utility standard of \$680.00.
10. On March 15, 2024, a Notice of Case Action was issued stating that Petitioner's FAP benefits would be \$33.00 per month from April 1, 2024, through October 31, 2024.
11. On February 26, 2024, Petitioner requested a hearing to dispute the Department's determination.

### **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 wages. Her wages totaled \$ [REDACTED]

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's group receives \$ [REDACTED] from RSDI on a monthly basis.

Petitioner's monthly earned income of \$ [REDACTED] was added to her group's monthly unearned income of \$ [REDACTED], resulting in a total monthly income amount of \$ [REDACTED] (\$ [REDACTED] + \$ [REDACTED]). An earned income deduction of 20% (.20 x \$ [REDACTED]) was subtracted from her group's 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 3 was \$198.00. After subtracting that standard deduction from Petitioner's group's gross monthly income, the adjusted gross income would be \$ [REDACTED] (\$ [REDACTED] - \$198.00). 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's group did not qualify for a dependent care, medical or child support expense deduction.

After Petitioner's April 2024 budget was calculated, Petitioner submitted a Change Report on March 21, 2024, indicating that her boyfriend's child support began again. However, because this change was reported after the April 2024 budget was calculated, this expense was not considered.

Petitioner's monthly housing expense was \$551.00. Petitioner was entitled to a standard heat and utility expense of \$680.00, which resulted in a total shelter amount of \$1,231.00 (\$551.00 + \$680.00). The Department was required to deduct 50% of Petitioner's adjusted gross income (.5 x \$2,449.00) from the total shelter amount, which left an adjusted excess shelter amount of \$7.00 (\$1,231.00 - \$1,224.00).

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] - \$7.00). BEM 550.

Petitioner asserted that because her income decreased, she thought that her group's FAP benefits would increase. However, no evidence was provided by Petitioner to show that the Department's determination was contrary to the law and Department policy.

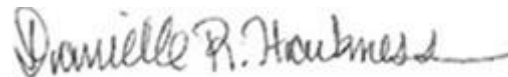
Based on the evidence presented, Petitioner failed to establish that the Department improperly determined her eligibility for FAP benefits beginning April 1, 2024.

**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 beginning April 1, 2024.

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

DH/pt



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**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**

BSC2  
M Holden  
B Cabanaw  
N Denson-Sogbaka  
MOAHR

**Via-First Class Mail:**

**Petitioner**

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