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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]  
MI [REDACTED]

Date Mailed: April 24, 2024  
MOAHR Docket No.: 24-002847  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun**

### **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 telephone hearing was held on April 17, 2024, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Angela Ware, Eligibility Specialist.

### **ISSUE**

Did the Department properly calculate the amount of Petitioner's Food Assistance Program (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. Petitioner was an ongoing recipient of FAP benefits.
2. Petitioner's household size is one. Petitioner confirmed that he receives gross monthly income from Supplemental Security Income (SSI) of [REDACTED] and the quarterly State SSI Payments (SSP) of [REDACTED]
3. Petitioner confirmed that he is responsible for monthly housing rental expenses of \$500 and that his monthly rent includes all utilities.
4. On or around December 9, 2023, the Department sent Petitioner a Notice of Case Action advising him that his FAP benefits were being decreased to \$99 monthly effective January 1, 2024, ongoing. (Exhibit A, pp. 8-12)
5. On or around March 6, 2024, Petitioner requested a hearing disputing the Department's actions with respect to the calculation of his FAP benefits.

## 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 Food Assistance Program (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.

In this case, Petitioner disputed the calculation of his FAP benefits, specifically, the decrease in his FAP allotment to \$99 effective January 1, 2024. The Department presented a FAP EDG Net Income Results Budget for the January 2024 benefit period which was thoroughly reviewed to determine if the Department properly calculated Petitioner's FAP benefits. (Exhibit A, pp. 13-14).

All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits and group composition policies specify whose income is countable. BEM 500 (April 2022), pp. 1 – 5. The Department considers the gross amount of money earned from Supplemental Security Income (SSI) in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (January 2023), p. 35. For an individual who lives in an independent living situation, State SSI Payments (SSP) are issued quarterly in the amount of [REDACTED] and the payments are issued in the final month of each quarter; see BEM 660. The Department will count the monthly SSP benefit amount [REDACTED] as unearned income. BEM 503, pp. 36-37; BEM 660 (October 2021), pp. 1-2; RFT 248 (January 2023), p. 1.

The Department concluded that Petitioner had unearned income in the amount of [REDACTED] which the Department representative testified consisted of [REDACTED] in SSI for Petitioner, and the [REDACTED] SSP payment, both of which were confirmed by Petitioner. Thus, the unearned income was properly calculated.

The deductions to income on the net income budget were also reviewed. Petitioner's FAP group includes a senior/disabled/veteran (SDV) member. BEM 550 (April 2023), pp. 1-2. Petitioner's FAP group is eligible for the following deductions to income:

- Dependent care expense.
- Excess shelter.
- Court ordered child support and arrearages paid to non-household members.
- Standard deduction based on group size.
- Medical expenses for the SDV member(s) that exceed \$35.

- An earned income deduction equal to 20% of any earned income.

BEM 554 (January 2024), p. 1; BEM 556 (January 2023), p. 1-8.

Petitioner's group did not have any earned income, thus, there was no applicable earned income deduction. There was no evidence presented that Petitioner had any out-of-pocket dependent care or medical expenses and therefore, the budget properly did not include any deduction for dependent care or medical expenses. See BEM 554. Petitioner testified that he pays child support in the amount of \$200 monthly to his ex-wife who lives in Kentucky for the care of their son. Petitioner testified that while he has a divorce agreement, it does not indicate that he is required to pay the child support in the amount of \$200. Petitioner testified that he has bank statements and possibly court records from Kentucky to support his testimony that he pays monthly child support. Because this verification was not submitted to the Department, it was properly excluded as a child support deduction on the budget. Petitioner was informed that should he submit sufficient verification of his monthly child support expenses, the Department would apply the expenses to the FAP budget. Thus, at the time the budget was completed, the Department properly did not include a child support deduction as no verification of the expense was submitted.

The Department properly applied a standard deduction of \$198 which was based on Petitioner's confirmed group size of one. RFT 255 (October 2023), p. 1. With respect to the calculation of the \$121 excess shelter deduction, the Department properly considered Petitioner's confirmed housing expenses of \$500, which Petitioner confirmed includes all utilities such as heating, cooling, electricity, and water. Thus, Petitioner is not eligible for the heat and utility standard and based on his testimony, not eligible for any other individual utility standards.


Upon further review, the Department properly determined Petitioner's net income and took into consideration the appropriate deductions to income. Based on net income of [REDACTED] Petitioner's one person FAP group is eligible for \$99 in monthly FAP benefits. RFT 260 (October 2023), p. 9.

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 calculated Petitioner's FAP benefits.

### **DECISION AND ORDER**

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

ZB/ml

  
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**Zarnab A. Baydoun**  
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**

Tracy Felder

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**MDHHS-Wayne-41-Hearings@michigan.gov**

**Interested Parties**

BSC4

M Holden

B Cabanaw

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**Via First Class Mail:**

**Petitioner**

[REDACTED]  
MI [REDACTED]