



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], MI [REDACTED]

Date Mailed: May 30, 2024
MOAHR Docket No.: 24-004581
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 hearing was held via telephone conference line on May 23, 2024. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Priya Johnson, supervisor. [REDACTED] of [REDACTED] participated as an English-Arabic translator.

ISSUE

The issue is whether MDHHS properly determined Petitioner's Food Assistance Program (FAP) eligibility.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of February 2024, Petitioner was an ongoing recipient of FAP benefits and a member of a two-person benefit group.
2. As of February 2024, Petitioner received \$943 in gross monthly Supplemental Security Income (SSI). Petitioner also received \$42 every three months for Supplemental State Payments (SSP).
3. As of February 2024, Petitioner's benefit group had no day care, medical, or child support expenses.

4. As of February 2024, Petitioner's benefit group had no housing or utility obligations other than for telephone.
5. On an unspecified date, MDHHS terminated Petitioner's FAP eligibility beginning March 2024.
6. On April 2, 2024, Petitioner requested a hearing to dispute a termination of FAP benefits.
7. On April 9, 2024, MDHHS determined Petitioner was eligible to receive \$307 in FAP benefits beginning March 2024.

CONCLUSIONS OF LAW

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. MDHHS administers the FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. FAP policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute a termination FAP benefits. Exhibit A, pp. 3-5. MDHHS inexplicably terminated Petitioner's FAP eligibility beginning March 2024, but later redetermined Petitioner's FAP benefits. On April 9, 2024, MDHHS redetermined that Petitioner was eligible for \$307 in monthly FAP benefits beginning March 2024. Exhibit A, pp. 6-10. Despite the redetermination, Petitioner contended the redetermination amount was too low.¹

FAP benefit amounts are based on a client's net income. Net income, for purposes of FAP benefits, is based on the client's group size, countable monthly income, and relevant monthly expenses. BEM 556 outlines the factors and calculations required to determine net income. The approval notice sent to Petitioner included a summary including all budget factors. Exhibit A, p. 7. During the hearing, all relevant budget factors were discussed with Petitioner.

In determining Petitioner's FAP eligibility, MDHHS factored a group size including Petitioner and his spouse. Petitioner did not dispute the group size two persons.²

It was not disputed that Petitioner received \$743 in gross monthly SSI benefits. It was also not disputed that Petitioner received an additional \$42 every three months (\$14 per month average) in SSP benefits. For FAP, MDHHS is to count a gross SSI benefit. BEM

¹ Debatably, Petitioner's hearing request should be dismissed because Petitioner's written dispute of not receiving FAP benefits was favorably resolved. Though Petitioner disputed an MDHHS action taken after his hearing request submission, the redetermination of FAP benefits, hearing jurisdiction will be found for Petitioner's dispute.

² See BEM 212 for policies on determining group size for FAP benefits.

503 (January 2023) p. 34. For FAP, MDHHS is to count a gross SSP benefit. *Id.* Adding the SSI and SSP results in \$957 in countable income.

MDHHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (January 2024) p. 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, MDHHS considers the following expenses: shelter expenses (housing and utilities) up to a capped amount, dependent care costs, and court-ordered child support and arrearages paid to non-household members (see *Id.*). An SDV group that has a verified one-time or ongoing medical expense(s) of more than \$35 for an SDV person(s) will receive the standard medical deduction (SMD) of \$165. *Id.* p. 9. If the group has actual medical expenses which are more than the SMD, the group has the option to verify their actual expenses instead of receiving the SMD. *Id.*

Petitioner's testimony acknowledged neither he nor his spouse have dependent care, child support, or medical expenses. Thus, Petitioner's group's non-shelter expenses are \$0.

Petitioner's FAP benefit group size justifies a standard deduction of \$198 (see RFT 255). The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. The standard deduction and countable non-shelter expenses are subtracted from the countable monthly income to calculate the group's adjusted gross income. Subtracting the standard deduction (\$198) and countable non-shelter expenses (\$0) from Petitioner's group's countable income (\$957) results in an adjusted gross income of \$759.

MDHHS credited Petitioner with monthly housing expenses of \$0. Petitioner did not allege additional housing expenses. Petitioner's testimony acknowledged no responsibility for utilities; nevertheless, MDHHS issued a standard telephone credit of \$31. RFT 255 (October 2023) p. 1. Adding Petitioner's housing expenses and utility credits results in total shelter expenses of \$31.

MDHHS only credits FAP benefit groups with an "excess shelter" expense. The excess shelter expense is calculated by subtracting half of Petitioner's adjusted gross income from Petitioner's total shelter obligation. Petitioner's excess shelter amount is \$0.


The FAP benefit group's net income is determined by subtracting the excess shelter expense from the group's adjusted gross income; doing so results in \$759 in net income for Petitioner's group. A chart is used to determine the proper FAP benefit issuance.³ RFT 260 (October 2023) pp. 1-5. Based on Petitioner's group size and net income, Petitioner's proper FAP issuance for March 2024 is \$307: the same amount calculated by MDHHS. It is found that MDHHS properly determined Petitioner's FAP eligibility beginning March 2024.

³ FAP eligibility can also be calculated by multiplying the net income by 30% and subtracting the amount from the maximum FAP issuance for the group.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner to be eligible for \$307 in FAP benefits beginning March 2024. The actions taken by MDHHS are **AFFIRMED**.

CG/nr



Christian Gardocki
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

Yaita Turner
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Interested Parties

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Via-First Class Mail :

Petitioner

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