



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: October 17, 2023
MOAHR Docket No.: 23-005461
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle Nuccio

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 October 9, 2023. Petitioner appeared and represented himself. The Department of Health and Human Services (MDHHS) was represented by Danielle Moton, Assistant Payments Worker.

ISSUE

Did MDHHS properly calculate Petitioner's Food Assistance Program (FAP) budget to determine his monthly amount of 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 is an ongoing recipient of FAP for a group size of seven. Petitioner's FAP group is categorized as an S/D/V group because a group member is a senior (over [REDACTED] years old), disabled or disabled veteran (S/D/V) individual.
 - a. Petitioner's FAP group has unearned income from Retirement, Survivors, Disability Insurance (RSDI).
 - b. Petitioner reported to MDHHS no child support or dependent care expenses.
 - c. Petitioner did not submit proof of any medical expenses.
 - d. Petitioner reported paying \$940.78 per month for his mortgage payment and is responsible for paying for electricity.

2. On July 27, 2023, MDHHS issued a Notice of Case Action to Petitioner informing him that he was eligible for FAP benefits in the amount of \$633.00 monthly for a group size of seven (Exhibit A, pp. 17-24).
3. On August 24, 2023, MDHHS received a timely submitted request for hearing from Petitioner disputing the monthly amount of FAP benefits that he is eligible to receive (Exhibit A, pp. 3-6).

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

Petitioner requested a hearing to dispute the determination of his monthly FAP amount. Petitioner was approved to receive \$633.00 per month in FAP benefits for a group size of seven.¹ FAP benefit amounts are determined by a client's net income. BEM 556 outlines the factors and calculations required to determine a client's net income. FAP net income factors group size, countable monthly income, and relevant monthly expenses. MDHHS presented budget documents listing the calculations to determine Petitioner's FAP eligibility (see Exhibit A, p. 19). During the hearing, all relevant budget factors were discussed with Petitioner.

MDHHS factored that Petitioner's group's unearned income was \$ [REDACTED] per month. Petitioner's FAP group receives this monthly amount in RSDI benefits. Petitioner confirmed that this amount is correct and is the only income the household receives. No other income was factored into the budget by MDHHS.

MDHHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (January 2022) p. 1. For groups containing S/D/V members, such as Petitioner's, MDHHS considers: a standard deduction (discussed below), childcare, court-ordered child support and arrearages paid to non-household members, a capped

¹ Petitioner testified that he is now a group size of six. MDHHS testified that with this group size change, Petitioner's monthly amount of FAP benefits would likely change. Since Petitioner's group size change was submitted after the request for hearing, Petitioner's eligibility will be reviewed as a group size of seven.

excess shelter expense, the medical expenses above \$35 for each S/D/V group member(s), and an uncapped excess shelter expense. BEM 554, p. 1.

The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. Petitioner's FAP benefit group size justifies a standard deduction of \$246.00. RFT 255 (October 2022) p. 1. MDHHS factored no medical, child support, or dependent care expenses for Petitioner's FAP eligibility. As an S/D/V member, Petitioner could have submitted out of pocket medical expenses for consideration of eligibility for a medical expense deduction. BEM 554, p. 1, 3. However, Petitioner did not submit for consideration out of pocket medical expenses but was advised that he could in the future. Thus, MDHHS properly counted the group's non-shelter expenses to be \$0.00.

MDHHS testified that it calculated Petitioner's housing expenses from his report of paying \$940.78 for his monthly mortgage payment and responsibility for paying utilities. Petitioner was credited with a standard heating/utility (h/u) credit of \$624.00.

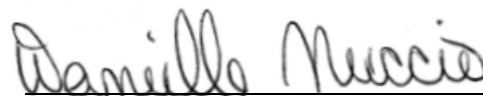
The FAP benefit group's net income is determined by subtracting the excess shelter expense from the group's adjusted gross income; doing so results in \$ [REDACTED] in net income for Petitioner's group. A chart is used to determine the proper FAP benefit issuance. RFT 260 (October 2022) p. 39. Based on Petitioner's group size and net income, Petitioner's proper FAP benefit issuance is \$633.00; the same issuance amount that was calculated by MDHHS. Thus, MDHHS properly determined Petitioner's FAP eligibility.

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 MDHHS acted in accordance with Department policy when it determined Petitioner to be eligible for \$633.00 in monthly FAP benefits.

DECISION AND ORDER

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

DN/mp



Danielle Nuccio

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 :

Interested Parties

MDHHS-Wayne-17-hearings
D. Sweeney
M. Holden
MOAHR
BSC4

Via-First Class Mail :

