



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: September 19, 2024
MOAHR Docket No.: 24-009254
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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 by telephone on September 12, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Mallory Manjo, Eligibility Specialist.

ISSUE

Did the Department properly process Petitioner's application for expedited Food Assistance Program (FAP) benefits?

Did the Department properly deny Petitioner cash assistance (CA) under the Family Independence Program (FIP) and State Disability Assistance (SDA) programs?

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] 2024, the Department received an assistance application from Petitioner that requested FAP and CA, among other programs. Petitioner reported herself as the only person applying for FAP and CA, that she had income of \$[REDACTED] per month, \$7 in bank accounts, that she paid \$725 per month for rent and was responsible for paying heat and electric utilities. (Exhibit A, pp. 12 – 23).

2. On August 8, 2024, the Department obtained a Consolidated Inquiry (CI) report that stated Petitioner received \$540 from the State of Michigan on July 25, 2024 in adult home health income.
3. On August 15, 2024, the Department interviewed Petitioner in connection with her application for FAP and CA.
4. On August 15, 2024, the Department sent Petitioner a Notice of Case Action (NOCA) that denied Petitioner CA due to excess income. (Exhibit A, pp. 29 – 32).
5. On August 16, 2024, the Department sent Petitioner a NOCA that approved Petitioner for FAP benefits for a one-person FAP group, in the amount of \$244 for the period of August 6, 2024 through August 31, 2024 and \$291 per month effective September 1, 2024 ongoing. (Exhibit A, pp. 37 – 41).
6. On August 16, 2024, the Department received two requests from Petitioner. The first being a request for hearing disputing the Department's failure to provide Petitioner expedited FAP benefits and the second being a letter disputing the Department's actions as to Petitioner's request for CA. (Exhibit A, pp. 4- 5; 6 – 10).

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).

Petitioner requested a hearing to dispute the Department's failure to approve her for FAP benefits on an expedited basis and denial of her application for cash assistance.

FAP

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.

Petitioner requested a hearing to dispute the Department's failure to process her request for FAP benefits on an expedited basis. The Department did not process Petitioner's FAP benefits on an expedited basis and approved Petitioner for FAP ten days after it received her application.

The purpose of FAP expedited service is to help the neediest clients by the seventh calendar day after the application date and defers certain processing requirements and

actions. BAM 117 (July 2024), pp. 1 – 2. There are limited circumstances under which a FAP group may qualify for expedited FAP benefits, one of which is if the group's gross income and liquid assets are less than its monthly rent and/or mortgage payments plus the heat and utility (h/u) standard, or non-heat electric, water and/or sewer, telephone, cooking fuel or trash removal standards. BAM 117, p. 1. Applicants seeking expedited FAP benefits are required to complete the assistance application and the FAP supplement, participate in an interview, and provide minimum verifications. BAM 117, pp. 1 – 2. When an application is submitted in person, the interview must be held the same day; when an application is submitted by mail, fax, or online, the Department must contact the applicant within one day business day of the application and make every effort to complete the interview the same day. BAM 117, p. 3. For expedited FAP, the Department must also verify the applicant's identity and make a reasonable effort to verify the applicant's residency, income, assets, and other eligibility factors but may not delay FAP benefits once identity has been verified. BAM 117, p. 3.

Petitioner applied for expedited FAP on August 6, 2024. (Exhibit A, pp. 12 – 23). The Department testified that it screened Petitioner's application for expedited FAP based on the information on the application and determined Petitioner did not qualify for expedited processing. (Exhibit A, p. 1). However, the completed application reflected that Petitioner was applying for a one-person FAP group and that her income of \$[REDACTED] per month plus her bank account balances was less than her reported housing expense and the h/u standard of \$1,405 per month, even if she was also receiving \$540 in monthly home help payments. Additionally, the Department testified that it interviewed Petitioner on August 15, 2024 and offered no evidence that it attempted to interview Petitioner sooner. While the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it processed Petitioner's request for expedited FAP benefits, policy provides that when the Department has failed to act in accordance with policy when processing a request for expedited FAP benefits, it must take prompt corrective action. BAM 115 (May 2024), p. 34. Here, on August 16, 2024, the tenth day following her application, the Department approved Petitioner for FAP benefits for a one-person FAP group effective August 6, 2024. (Exhibit A, pp. 37 – 41). Specifically, Petitioner was approved for \$244 in FAP benefits for the period of August 6, 2024 through August 31, 2024, and \$291 per month for September 1, 2024 ongoing. (Exhibit A, p. 37). Because the Department promptly processed Petitioner's FAP application and the action was taken prior to the instant hearing, the Department remedied any error in failing to process the application as an expedited application.

At the hearing, Petitioner acknowledged receipt of her FAP benefits but asserted that if the Department had processed her application for expedited FAP, she would have received more benefits. The maximum FAP benefit for a one-person FAP group is \$291 per month. RFT (October 2023), p. 1. Petitioner was approved for the maximum monthly FAP benefit for her one-person FAP group. FAP benefits for individuals not currently receiving FAP are prorated to the date of the application for both expedited and non-expedited FAP applicants. BAM 117, p. 4; BEM 556 (May 2024), p. 8. Because Petitioner applied for FAP on [REDACTED] the Department properly prorated her monthly FAP benefit of \$291 for the period of August 6, 2024 through August 31, 2024,

and Petitioner's FAP benefit for August 2024 would not have been more if she had been approved for benefits on an expedited basis.

CA – FIP and SDA

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services (formerly known as the Department of Human Services) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

Petitioner requested a hearing to dispute the Department's denial of her application for CA. At the hearing, Petitioner clarified that she is not disabled and applied for CA under FIP. Because Petitioner did not have a minor child, the Department considered Petitioner's eligibility for CA under SDA only and denied Petitioner's application due to excess income.

When an individual applies for CA, the Department considers FIP eligibility before SDA eligibility. BEM 209 (January 2022), p. 1. To be eligible for CA under FIP, the group must include a dependent child. BEM 210 (July 2021), p. 1. For purposes of FIP, a dependent child is an unemancipated child who lives with a caretaker and is either under the age of 18, or 18 and a full-time high school student. BEM 210, p. 2. In this case Petitioner does not have a dependent child. (Exhibit A, pp. 12 – 22). Therefore, Petitioner is not eligible for FIP and the Department properly considered Petitioner's eligibility for CA under SDA only.

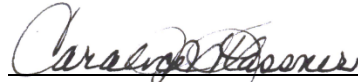
SDA is a cash program for individuals in financial need who are not eligible for FIP and are disabled, caring for a disabled person, or age 65 or older. BEM 214 (April 2019), p. 1; BEM 515 (February 2024), p. 1; BEM 261 (April 2017), p. 1. Financial need exists when the budgetable income of the SDA group is less than the maximum benefit amount for the SDA group. BEM 515, p. 1. Members of the SDA group are the individual or, if married, the individual and their spouse. BEM 214, p. 1. Petitioner is not married and lives independently. (Exhibit A, pp. 14, 22). Therefore, based on Petitioner's circumstances the maximum benefit amount for Petitioner's SDA group is \$200 per month. RFT 225 (December 2013). Because Petitioner's gross pension income of \$█ per month is budgetable income and not subject to any income deductions (BEM 503 (April 2024), p. 29; BEM 518 (July 2023), p. 5) and is more than her maximum SDA benefit amount, the Department properly denied Petitioner's SDA application due to excess income. Because Petitioner's pension income alone was in excess of the SDA benefit amount and rendered her ineligible for SDA, any additional income Petitioner may have received as a home help provider was irrelevant.

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 FAP benefits and when it denied Petitioner's application for SDA due to excess income.

DECISION AND ORDER

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

CML/nr



Caralyce M. Lassner
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

Chelsea McCune
Macomb County DHHS Warren Dist.
13041 E 10 Mile
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Via-First Class Mail :

Petitioner

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