



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: September 24, 2024
MOAHR Docket No.: 24-009352
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 16, 2024. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Yasser Chami, Assistance Payments Supervisor.

ISSUE

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefits effective September 1, 2024 ongoing?

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 [REDACTED] years old and an ongoing recipient of FAP for a one-person FAP group.
2. Petitioner is a recipient of Supplemental Security Income (SSI) of \$943 per month. (Exhibit A, pp. 9 – 11).
3. Petitioner is a recipient of a quarterly State SSI Payment (SSP) of \$42.
4. On July 15, 2024, the Department received a completed Mid-Certification Contact Notice from Petitioner. (Exhibit A, pp. 6 – 8).

5. On July 26, 2024, the Department sent Petitioner a Notice of Case Action (NOCA) that approved Petitioner for FAP benefits in the amount of \$87 per month for a one-person FAP group effective September 1, 2024 ongoing. (Exhibit A, pp. 12 – 13).
6. On August 12, 2024, the Department received a request for hearing from Petitioner, disputing the amount of his FAP benefits. (Exhibit A, pp. 3 – 4).

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.

Petitioner requested a hearing to dispute the amount of his monthly FAP benefit. The Department approved Petitioner for FAP benefits of \$87 per month for his one-person FAP group.

To determine whether the Department properly calculated Petitioner's FAP benefit amount, the Department begins with the client's countable earned and unearned income. BEM 500 (April 2022), pp. 1 – 5. For SSI and SSP, the Department counts the gross benefit amount as unearned income. BEM 503 (April 2024), pp. 35 – 37. In this case, the Department and Petitioner agreed that Petitioner's total monthly income was from SSI and SSP in the amount of \$957. (Exhibit A, p. 13).

After countable income is calculated, the Department must determine which deductions are available to Petitioner. Because Petitioner is over 60 years of age, he is considered a senior/disabled/veteran (SDV) household. BEM 550 (February 2024), p. 1. Households with SDV members with unearned income may be eligible for the following deductions only:

- Standard deduction based on group size.
- Dependent care expense.
- Medical expense deduction for medical expenses of the SDV member in excess of \$35.
- Court ordered child support and arrearages paid to non-household members.

- Excess shelter deduction.

BEM 554 (July 2024) p. 1; BEM 556 (May 2024) pp. 4 – 6.

There was no dispute that Petitioner was entitled to, and received, a \$198 standard deduction from his countable income based on his one-person FAP group size. BEM 550, p. 1; RFT 255 (October 2023). (Exhibit A, p. 13). Petitioner did not report any medical expenses or health insurance premiums in excess of \$35 and the Department properly did not include a deduction for medical expenses. (Exhibit A, p. 13). Petitioner also did not report any dependent care expenses or court ordered child support expenses and therefore, no deduction for either of those expenses are reflected on the budget. (Exhibit A, p. 13).

Next, the Department determines any excess shelter expense deduction. To start, the Department first calculates Petitioner's adjusted gross income (AGI) by subtracting the allowable deductions outlined above from the countable income. While the Department did not introduce a detailed budget, the evidence established that Petitioner's gross income was \$957 and that he was only entitled to the standard deduction of \$198, which resulted in AGI of \$759.

To complete the excess shelter deduction calculation, the Department reviews Petitioner's housing and utility expenses, if any. The Department testified, and Petitioner agreed, that Petitioner had a housing expense of \$429 per month, was responsible for payment of his telephone service, and was not responsible for payment of any heating or cooling expense. Clients who do not have a heating or cooling expense and have a telephone expense are entitled to a telephone standard amount to be included in the calculation of the excess shelter deduction. BEM 554, p. 24. The telephone standard amount is \$31 RFT 255 (October 2023).

Once Petitioner's housing and utility expenses have been determined, the Department must add those amounts together for a total shelter amount and then subtract 50% of Petitioner's AGI from the total shelter amount. BEM 556 (May 2024), pp. 5 – 6. This determines Petitioner's excess shelter deduction. The total of Petitioner's monthly housing of \$429 and the telephone standard of \$31 was \$460. When 50% of Petitioner's \$759 AGI, in the amount of \$380, is subtracted from the total shelter amount of \$460, Petitioner's excess shelter deduction was \$81. When Petitioner's excess shelter deduction of \$81 is subtracted from his AGI of \$759, Petitioner's net income is \$678. (Exhibit A, p. 13). The Department's calculations were made consistent with policy.

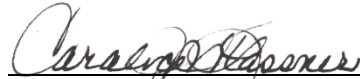
Once the net monthly income has been determined under the FAP program, the Department determines what benefit amount Petitioner is entitled to, based on the group size, according to the Food Assistance Issuance Table found in RFT 260. Based on Petitioner's one-person FAP group size and net income of \$678, the Department properly determined Petitioner's monthly benefit amount of \$87 for September 2024 ongoing. RFT 260 (October 2023), p. 10.

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 benefit amount effective September 1, 2024 ongoing.

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

Caryn Jackson
Wayne-Hamtramck-DHHS
12140 Joseph Campau
Hamtramck, MI 48212

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Interested Parties

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MOAHR

Via-First Class Mail :

Petitioner

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