



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: October 7, 2024
MOAHR Docket No.: 24-010037
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On August 28, 2024, Petitioner, [REDACTED] requested a hearing to dispute a Food Assistance Program (FAP) benefit case closure. As a result, a hearing was scheduled to be held on October 3, 2024, pursuant to MCL 400.9, 7 CFR 273.15, and Mich Admin Code, R 792.11002. Petitioner appeared at the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Hannah Czechowski, Hearings Coordinator.

A 50-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Did the Department properly close Petitioner's FAP benefit case due to excess income?

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, Petitioner submitted a redetermination.
2. Petitioner has a household size of 3.
3. During Petitioner's August 23, 2024, redetermination interview, Petitioner reported that Petitioner receives Supplemental Security Income (SSI) and Petitioner's living together partner is employed at [REDACTED] and works [REDACTED] hours per week.

4. Following Petitioner's August 23, 2024, redetermination interview, the Department verified Petitioner's living together partner's income from [REDACTED] via The Work Number.
5. From [REDACTED] 2024, through [REDACTED], 2024, Petitioner's living together partner earned an average income of \$[REDACTED]
6. Petitioner receives \$[REDACTED] per month in SSI and a state SSI benefit of \$[REDACTED] per month.
7. Petitioner's monthly housing costs were \$700.00, and because Petitioner reported that Petitioner pays for heat, Petitioner received the heat/utility standard of \$680.00.
8. On August 23, 2024, a Notice of Case Action was issued stating that Petitioner's FAP benefit case would be closed effective August 1, 2024, due to Petitioner's group's net income exceeding program limits.
9. On August 28, 2024, Petitioner requested a hearing to dispute the Department's determination.

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 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.

The Department uses countable income to determine eligibility and benefit levels. Income remaining after applying the policy in the income related items is called countable. For FAP purposes, all earned and unearned income available to an applicant or recipient is countable. The Department uses gross income when determining countable income. Gross income is the amount of income before any deductions such as taxes or garnishments, and the amount counted may be more than the client actually receives. BEM 500.

In this case, during Petitioner's August 23, 2024, redetermination interview, Petitioner reported that Petitioner receives SSI and Petitioner's living together partner is employed at [REDACTED] and works [REDACTED] hours per week. Therefore, following Petitioner's August 23, 2024, redetermination interview, the Department verified Petitioner's living

together partner's income from [REDACTED] via The Work Number and Petitioner's SSI income via SOLQ.

In calculating the FAP budget, the Department considers the gross benefit amount of SSI as unearned income. BEM 503, January 1, 2023, p. 35.

Here, Petitioner receives unearned income of \$[REDACTED] per month in SSI, and \$[REDACTED] per month in a state SSI benefit. Therefore, Petitioner's unearned income is \$[REDACTED] (\$[REDACTED] + \$[REDACTED]).

Petitioner's living together partner's monthly earned income of \$[REDACTED] was added to Petitioner's unearned income of \$[REDACTED] resulting in a total monthly income amount of \$[REDACTED] (\$[REDACTED] + \$[REDACTED]). An earned income deduction of 20% (.20 x \$[REDACTED]) was subtracted from her group's total income amount resulting in \$[REDACTED].

Every case is allowed the standard deduction shown in RFT 255. BEM 550, p. 1. The standard income deduction for Petitioner's FAP group size of 3 was \$198.00. After subtracting that standard deduction from Petitioner's group's gross monthly income, the adjusted gross income would be \$[REDACTED] (\$[REDACTED] - \$198.00). BEM 550.

Bridges, the Department's computer information system, uses certain expenses to determine net income for FAP eligibility and benefit levels. For groups with one or more senior/disabled/disabled veteran (SDV) member, Bridges uses the following: (1) dependent care expense; (2) excess shelter; (3) court ordered child support and arrearages paid to non-household members, and (4) medical expenses for the SDV member(s) that exceed \$35.00. BEM 554, p. 1. The evidence on the record establishes that Petitioner's group did not qualify for a dependent care, medical or child support expense deduction.

Petitioner's monthly housing expense was \$700.00. Petitioner was entitled to a standard heat and utility expense of \$680.00, which resulted in a total shelter amount of \$1,380.00 (\$700.00 + \$680.00). The Department was required to deduct 50% of Petitioner's adjusted gross income (.5 x \$[REDACTED]) from the total shelter amount, which left an adjusted excess shelter amount of \$65.00 (\$[REDACTED] - \$[REDACTED]).

Petitioner was entitled to have Petitioner's adjusted excess shelter amount or excess shelter deducted from Petitioner's adjusted gross income, leaving a net income amount of \$[REDACTED] (\$[REDACTED] - \$[REDACTED]).

Petitioner asserted that Petitioner's group was receiving FAP benefits prior to Petitioner's living together partner changing employment, and because Petitioner's living together partner makes about the same income at her new employment that Petitioner's group should still receive FAP benefits. However, no evidence was provided by Petitioner to show that the Department's income calculation was incorrect or that the Department's determination was contrary to the law and Department policy.

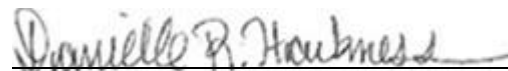
Based on the evidence presented, Petitioner failed to establish that the Department improperly closed Petitioner's FAP benefit case due to excess income beginning August 1, 2024.

DECISION AND ORDER

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 eligibility for FAP benefits beginning August 1, 2024.

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

DH/pt



Danielle R. Harkness
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

Hannah Czechowski
Genesee County DHHS Clio Rd Dist.
4809 Clio Road
Flint, MI 48504

MDHHS-Genesee-Clio-Hearings@michigan.gov

Interested Parties

BSC2

M Holden

B Cabanaw

N Denson-Sogbaka

MOAHR

Via-First Class Mail:

Petitioner

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