



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]  
[REDACTED]  
MI [REDACTED]

Date Mailed: October 15, 2024  
MOAHR Docket No.: 24-010362  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Linda Jordan**

### **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 on October 10, 2024, via teleconference. Petitioner appeared and represented herself. Hannah Czechowski, Hearings Coordinator, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department). MDHHS' Hearing Packet was admitted into evidence at the hearing as MDHHS Exhibit A, pp. 1-39.

### **ISSUE**

Did MDHHS properly determine Petitioner's Food Assistance Program (FAP) benefit rate?

### **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 was an ongoing recipient of FAP benefits.
2. On [REDACTED] 2024, Petitioner submitted a redetermination for FAP (Exhibit A, p. 5). Petitioner reported a household of one (Exhibit A, pp. 6-9).
3. On August 5, 2024, MDHHS sent Petitioner a Notice of Case Action, indicating that her FAP benefit rate decreased to \$63.00 per month, effective September 1, 2024 ongoing (Exhibit A, p. 20).
4. On September 9, 2024, Petitioner requested a hearing regarding her FAP benefits (Exhibit A, p. 3).

### **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. MDHHS administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

In this case, MDHHS determined that Petitioner was eligible for FAP benefits at a rate of \$88.00 per month in August 2024, and \$63.00 per month, effective September 1, 2024 ongoing. These amounts represent a decrease in FAP benefits because Petitioner was previously receiving \$484.00 per month in FAP benefits for a household of two (Exhibit A, p. 29). Petitioner disputed the decrease in her FAP benefit rate. Petitioner's household size was not in dispute.

To determine whether MDHHS properly calculated Petitioner's FAP benefit amount, it is necessary to evaluate the household's countable income. BEM 500 (April 2022), pp. 1-5. MDHHS determined that Petitioner received \$[REDACTED] per month in countable unearned income, which represented Petitioner's monthly Retirement, Survivors, and Disability Insurance (RSDI) payment. Petitioner did not dispute this amount.

After income is calculated, MDHHS must determine applicable deductions. Petitioner's FAP group is considered a Senior/Disabled/Disabled Veteran (SDV) group. BEM 550 (February 2024), p. 1. SDV groups are eligible for the following deductions.

- Earned income deduction
- Dependent care expense
- Court ordered child support and arrearages paid to non-household members
- Medical expenses for SDV members that exceed \$35
- Standard deduction based on group size
- Excess shelter deduction

BEM 550, p. 1; BEM 554 (July 2024), p. 1; BEM 556 (May 2024), p. 3.

No evidence was presented that Petitioner had earned income, dependent care expenses, verified medical expenses or court-ordered child support. MDHHS budgeted the standard deduction for a household of one, which was \$198.00. RFT 255 (October 2023), p. 1. To calculate Petitioner's Adjusted Gross Income (AGI), the deductions were subtracted from the countable income of \$[REDACTED] to equal \$[REDACTED]

Next, MDHHS is required to determine the excess shelter deduction. For August 2024, MDHHS budgeted \$84.00 for Petitioner's excess shelter deduction. This was based on

housing expenses of \$275.00. Petitioner disputed this amount and indicated that her monthly rent was \$285.00. However, it is unclear from the record when Petitioner reported this change to MDHHS. Additionally, MDHHS budgeted the non-heat electric standard of \$157.00 and the telephone standard of \$31.00, to equal a total shelter amount of \$463.00 (Exhibit A, p. 34). To determine the excess shelter deduction, 50% of the AGI is subtracted from the total shelter amount. Subtracting 50% of Petitioners' AGI, or \$379.00, from Petitioner's total shelter amount of \$463.00 equals \$84.00. Therefore, MDHHS properly determined Petitioner's excess shelter deduction of \$84.00.

To determine Petitioner's net income for FAP for August 2024, MDHHS subtracted the excess shelter deduction of \$84.00 from Petitioner's AGI of \$[REDACTED] to equal \$675.00. A household of one with a net income of \$[REDACTED] is entitled to receive \$88.00 per month in FAP benefits. RFT 260 (October 2023), p. 10.

Regarding the excess shelter deduction for September 1, 2024 ongoing, MDHHS budgeted an excess shelter deduction of \$0.00. MDHHS budgeted \$285.00 for Petitioner's monthly housing expense and did not budget utility standards except for the telephone standard. Petitioner confirmed that she paid \$285.00 for monthly rent and that her utilities were included in her rental payment. MDHHS budgeted \$31.00 for the telephone standard because Petitioner paid for her cellular telephone service. Adding the amounts together equaled a total shelter amount of \$316.00 (Exhibit A, p. 37). To determine the excess shelter deduction, 50% of the AGI is subtracted from the total shelter amount. Subtracting 50% of Petitioners' AGI, or \$379.00, from Petitioner's total shelter amount of \$316.00 equals a negative number. Therefore, Petitioner is not entitled to an excess shelter deduction and MDHHS properly determined that she had an excess shelter deduction of \$0.00.

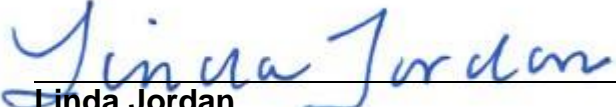
To determine Petitioner's net income for FAP, effective September 1, 2024 ongoing, MDHHS subtracted the excess shelter deduction of \$0.00 from Petitioner's AGI of \$[REDACTED] to equal \$[REDACTED]. A household of one with a net income of \$[REDACTED] is entitled to receive \$63.00 per month in FAP benefits. RFT 260 (October 2023), p. 11.

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's FAP benefit rate.

### **DECISION AND ORDER**

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

LJ/pt

  
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**Linda Jordan**  
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**  
[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]