



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

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██████████, MI ██████████

Date Mailed: October 17, 2024
MOAHR Docket No.: 24-010554
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

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 14, 2024, from Detroit, Michigan. Petitioner appeared for the hearing with his wife ██████████ and was represented by his daughter/Authorized Hearing Representative (AHR) ██████████. The Department of Health and Human Services (Department) was represented by Lori Turner, Eligibility Specialist.

ISSUE

Did the Department properly calculate the amount of Petitioner's Food Assistance Program (FAP) 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 was an ongoing recipient of FAP benefits in the amount of \$522. In connection with a redetermination, Petitioner's eligibility to receive FAP benefits was reviewed.
2. On or around August 1, 2024, Petitioner submitted a redetermination to the Department. (Exhibit A, pp. 7-14)
3. During a redetermination interview conducted on August 6, 2024, Petitioner's wife confirmed that Petitioner receives ██████████ in monthly Supplemental Security Income (SSI) and ██████████ per month from each of their three daughters totaling ██████████ (Exhibit A, pp. 15-21)

4. On or around September 10, 2024, the Department sent Petitioner a Notice of Case Action advising that for the month of September 2024, the household was approved for FAP benefits in the amount of \$289 and that effective October 1, 2024, ongoing, the household was approved for \$288 in monthly FAP benefits. (Exhibit A, pp. 22-26)
5. On or around September 16, 2024, Petitioner requested a hearing disputing the decrease in the amount of his monthly 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.

In this case, Petitioner disputed the calculation of his FAP benefits, specifically, the decrease in his FAP allotment. The Department representative testified that after processing Petitioner's redetermination, it concluded that Petitioner was eligible for \$289 in FAP benefits for September 2024 and \$288 in FAP benefits for October 1, 2024, ongoing. The Department presented a FAP EDG Net Income Results Budget for the September 2024 benefit period which was thoroughly reviewed to determine if the Department properly calculated Petitioner's FAP benefits. (Exhibit A, pp. 29-33). The one dollar decrease to \$288 was likely a result of the change in the heat/utility standard effective October 1, 2024, as no other changes were made to the budget.

All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits and group composition policies specify whose income is countable. BEM 500 (April 2022), pp. 1 – 5. The Department considers the gross amount of money earned from Supplemental Security Income (SSI) in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (April 2024), p. 35. For an individual who lives in an independent living situation, State SSI Payments (SSP) are issued quarterly in the amount of [REDACTED] and the payments are issued in the final month of each quarter; see BEM 660. The Department will count the monthly SSP benefit amount [REDACTED] as unearned income. BEM 503, pp. 36-37; BEM 660 (October 2021), pp. 1-2; RFT 248 (January 2024), p. 1. BEM 503 also provides that the Department is to count the gross amount of the donation to an individual by family or friends as unearned income. BEM 503, pp. 10.

The Department concluded that Petitioner had unearned income in the amount of [REDACTED] which the Department representative testified consisted of [REDACTED] in SSI for Petitioner, the [REDACTED] SSP payment, and [REDACTED] in contributions from Petitioner's three daughters at [REDACTED] each. The unearned income amounts were confirmed by Petitioner during the hearing and thus, were properly calculated.

The deductions to income on the net income budget were also reviewed. Petitioner's FAP group includes a senior/disabled/veteran (SDV) member. BEM 550 (February 2024), pp. 1-2. Petitioner's FAP group is eligible for the following deductions to income:

- Dependent care expense.
- Excess shelter.
- Court ordered child support and arrearages paid to non-household members.
- Standard deduction based on group size.
- Medical expenses for the SDV member(s) that exceed \$35.
- An earned income deduction equal to 20% of any earned income.

BEM 554 (July 2024), p. 1; BEM 556 (May 2024), p. 1-8.


Petitioner's group did not have any earned income, thus, there was no applicable earned income deduction. There was no evidence presented that Petitioner had any out-of-pocket dependent care, child support, or medical expenses and therefore, the budget properly did not include any deduction for dependent care, child support or medical expenses. See BEM 554. The Department properly applied a standard deduction of \$198 which was based on Petitioner's confirmed group size of two. RFT 255 (October 2023), p. 1. With respect to the calculation of the \$391 excess shelter deduction, the Department properly considered Petitioner's confirmed monthly housing expenses of \$314 which were calculated based on annual property taxes of \$2,796.84 and annual home insurance of \$981.96. The Department also properly applied the \$680 heat and utility (h/u) standard, which covers all heat and utility costs including cooling expenses. BEM 554, pp. 13-17.

Upon further review, the Department properly determined Petitioner's net income and took into consideration the appropriate deductions to income. Based on net income of [REDACTED] Petitioner's two person FAP group is eligible for \$289 in monthly FAP benefits. RFT 260 (October 2023), p. 12. 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 calculated Petitioner's FAP benefits.

DECISION AND ORDER

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

ZB/ml



Zainab A. Baydoun
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

Tara Roland 82-17

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Interested Parties

BSC4

M Holden

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N Denson-Sogbaka

MOAHR

Via First Class Mail:

Authorized Hearing Rep.

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[REDACTED]

[REDACTED], MI [REDACTED]

Petitioner

[REDACTED]

[REDACTED]

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