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GOVERNOR

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

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DIRECTOR

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Date Mailed: January 3, 2025  
MOAHR Docket No.: 24-013443  
Agency No.: ██████████  
Petitioner: ██████████

**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 December 30, 2024, via teleconference. Petitioner appeared and represented herself. Amber Gibson, Hearings Facilitator, 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. 1-19.

Petitioner requested the hearing to dispute MDHHS' determinations regarding her Food Assistance Program (FAP) benefits and Medicaid (MA) coverage. At the hearing, MDHHS confirmed that Petitioner's MA coverage was reinstated and that there was no gap in coverage. Accordingly, Petitioner testified that she wished to withdraw the request for hearing on the MA issue. MDHHS had no objection. The request for hearing regarding MA was withdrawn on the record. Pursuant to the withdrawal, the matter concerning MA coverage, is hereby, **DISMISSED**.

### **ISSUE**

Did MDHHS properly determine Petitioner's eligibility for 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.
2. On ██████████ 2024, Petitioner submitted a redetermination packet for FAP (Exhibit A, p. 7).

3. On October 4, 2024, MDHHS sent Petitioner a Notice of Case Action indicating that her FAP benefits were approved through August 31, 2024, and that her case would be closed, effective September 1, 2024 ongoing (Exhibit A, p. 12).
4. On November 21, 2024, Petitioner requested a hearing (Exhibit A, p. 3).
5. On December 12, 2024, MDHHS sent Petitioner a Notice of Case Action indicating that she was approved for FAP benefits for a household of two, effective September 1, 2024 ongoing (Exhibit A, p. 18).

### **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 initially terminated Petitioner's FAP benefits for failing to complete the redetermination process. Subsequently, MDHHS processed Petitioner's redetermination and closed her case, effective September 1, 2024 ongoing, due to excess income. At the hearing, MDHHS testified that this action was done in error because the income information was not correct. MDHHS reprocessed Petitioner's eligibility for FAP on December 12, 2024 and approved her for \$23.00 per month in FAP benefits, effective September 1, 2024 ongoing. Petitioner clarified at the hearing that she disputed the FAP benefit rate. Clients are entitled to dispute the calculation of the FAP benefit rate whenever they believe that the rate is incorrect. BAM 600 (June 2024), p. 1.

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 and an adoption subsidy that Petitioner received on behalf of her adopted son. Petitioner did not dispute these amounts.

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 two, which was \$204.00. RFT 255 (October 2024), p. 1. To calculate Petitioner's Adjusted Gross Income (AGI), the deductions were subtracted from the countable income of \$ [REDACTED] to equal \$ [REDACTED] (Exhibit A, p. 38).

Next, MDHHS is required to determine the excess shelter deduction. MDHHS budgeted \$332.00 for Petitioner's excess shelter deduction. This was based on housing expenses of \$850.00. Petitioner did not dispute this amount. Regarding utilities, MDHHS budgeted the heat and utility standard deduction of \$664.00 and the internet deduction of \$50.00, which brought Petitioner's total shelter amount to \$1,564.00.

To determine the excess shelter deduction, 50% of the AGI is subtracted from the total shelter amount. Subtracting 50% of Petitioner's AGI, or \$1,232.50, from Petitioner's total shelter amount of \$1,564.00 equals \$331.50. To determine Petitioner's net income for FAP, MDHHS subtracted the excess shelter deduction of \$331.50 from Petitioner's AGI of \$ [REDACTED] to equal \$ [REDACTED] (dropping the cents). A household of two with a net income of \$ [REDACTED] is entitled to receive \$23.00 per month in FAP benefits. RFT 260 (October 2024), p. 30.

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**

Pursuant to the withdrawal of the hearing request regarding MA, that matter is hereby **DISMISSED**. MDHHS' decision regarding FAP 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**

Amber Gibson  
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5303 South Cedar  
PO BOX 30088  
Lansing, MI 48911  
**MDHHS-Ingham-Hearings@michigan.gov**

**Interested Parties**

BSC2  
M Holden  
B Cabanaw  
N Denson-Sogbaka  
M. Schaefer  
EQAD  
MOAHR

**Via-First Class Mail:**

**Petitioner**

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