



Date Mailed: March 19, 2025

Docket No.: [REDACTED]

Case No.: [REDACTED]

Petitioner: [REDACTED]

This is an important legal document. Please have someone translate the document.

هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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这是一份重要的法律文件。请让别人翻译文件。

Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 via Microsoft Teams on March 10, 2025; the parties participated by telephone. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Avery Smith, manager.

ISSUE

The issue is whether MDHHS properly determined Petitioner's Food Assistance Program (FAP) eligibility.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of November 2024, Petitioner was an ongoing recipient of FAP benefits with a household including his spouse.
2. As of November 2024, Petitioner and his spouse received at least \$[REDACTED] and \$[REDACTED] in respective gross monthly Retirement, Survivors, Disability Insurance (RSDI).

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3. As of November 2024, Petitioner received gross monthly wages of \$[REDACTED]
 4. As of November 2024, Petitioner had no day care expenses, no dependent care expenses, and no reported medical expenses exceeding \$35 per month.
 5. As of November 2024, Petitioner was responsible for \$[REDACTED] in monthly housing expenses.
 6. As of November 2024, Petitioner was obligated to pay household heating and/or cooling expenses.
 7. As of November 2024, Petitioner was not responsible for paying internet.
 8. On December [REDACTED] 2024, MDHHS approved Petitioner for \$[REDACTED] in monthly FAP benefits beginning January 2025.
 9. On December 10, 2024, Petitioner verbally requested a hearing to dispute FAP eligibility for January 2025.

CONCLUSIONS OF LAW

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. MDHHS administers the FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. FAP policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner verbally requested a hearing to dispute a reduction in FAP benefits.¹ Exhibit A, pp. 3-6. A Notice of Case Action dated December 7, 2024, approved Petitioner for \$36 in FAP benefits beginning January 2025.² Exhibit A, pp. 16-20.

FAP benefit amounts are based on a client's net income. Net income, for purposes of FAP benefits, is based on the client's group size, countable monthly income, and relevant monthly expenses. BEM 556 outlines the factors and calculations required to determine net income. FAP budget documents listed all relevant factors and calculations.³ Exhibit A, p. 12, 13, and 15. During the hearing, all relevant budget factors were discussed with Petitioner.

¹ MDHHS clients may verbally request hearing to dispute FAP eligibility (see BAM 600).

² MDHHS indicated that Petitioner previously received \$243 in monthly FAP benefits.

³ A budget summary, which includes all irrelevant income and expenses, was sent to Petitioner as part of the notice of FAP benefit reduction. Exhibit A, p. 17.

In determining Petitioner's FAP eligibility, MDHHS factored a benefit group including Petitioner and his spouse. Petitioner did not dispute the benefit group size of two persons.⁴

Petitioner testified that he and his spouse received \$[REDACTED] and \$[REDACTED] in respective gross monthly RSDI benefits. MDHHS factored a slightly lower RSDI (thus, more favorable to Petitioner) amount of \$[REDACTED] for Petitioner's spouse. For purposes of this decision, RSDI of \$[REDACTED] for Petitioner's spouse will be accepted as correct. The total RSDI for the group is \$[REDACTED]

It was not disputed that Petitioner received \$[REDACTED] in gross monthly wages. For FAP benefits, MDHHS generally counts gross wages.⁵ BEM 501 (July 2017), p. 7. MDHHS issues a 20% credit for timely reported employment income. Multiplying Petitioner's wages by 80% results in countable wages of \$[REDACTED] (dropping cents). Adding the RSDI of \$[REDACTED] to countable wages results in a total countable income of \$[REDACTED]

MDHHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (July 2024) p. 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, MDHHS considers the following expenses: shelter expenses (housing and utilities) up to a capped amount, dependent care costs, and court-ordered child support and arrearages paid to non-household members. *Id.* Groups with an SDV member who has a verified one-time or ongoing medical expense(s) of more than \$35 for an SDV person(s) will receive the standard medical deduction (SMD) of \$165. *Id.*, p. 9. If the group has actual medical expenses which are more than the SMD, the group has the option to verify their actual expenses instead of receiving the SMD. *Id.* Groups with an SDV member also have an uncapped excess shelter expense. *Id.*

It was not disputed that Petitioner and Spouse were disabled; thus, medical expenses are countable. However, Petitioner's testimony acknowledged not having monthly medical expenses exceeding \$35. Petitioner also acknowledged having no child support or dependent care expenses. Petitioner's non-shelter expenses are \$0.

Petitioner's FAP benefit group size justifies a standard deduction of \$204 (see RFT 255). The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. The standard deduction and countable non-shelter expenses are subtracted from the countable monthly income to calculate the group's adjusted gross income. Subtracting the standard deduction (\$204) and countable non-shelter expenses (\$0) from Petitioner's group's countable income (\$[REDACTED]) results in an adjusted gross income of \$[REDACTED]

⁴ See BEM 212 for policies on determining group size for FAP benefits.

⁵ Exceptions to using gross wages include the following: earned income tax credits, flexible benefits, striker earnings, student disregards, and census worker earnings. BEM 501 (July 2017), p. 7. None of these exceptions apply to the present case.

MDHHS credited Petitioner with monthly housing expenses of \$[REDACTED] Petitioner acknowledged having no internet expenses; thus, MDHHS properly did not credit with a standard \$50 internet expense credit. MDHHS credited Petitioner with a standard heating/utility (h/u) credit of \$664.⁶ RFT 255 (October 2024) p. 1. Generally, the h/u credit covers all utility expenses and is the maximum credit available.⁷ Adding Petitioner's housing expenses and utility credits results in total shelter expenses of \$[REDACTED] (rounding to nearest dollar).

MDHHS only credits FAP benefit groups with an "excess shelter" expense. The excess shelter expense is calculated by subtracting half of Petitioner's adjusted gross income from Petitioner's total shelter obligation. Petitioner's excess shelter amount is \$[REDACTED]

The FAP benefit group's net income is determined by subtracting the excess shelter expense from the group's adjusted gross income; doing so results in \$[REDACTED] in net income for Petitioner's group. A chart is used to determine the proper FAP benefit issuance.⁸ RFT 260 (October 2024) pp. 1-5. Based on Petitioner's group size and net income, Petitioner's proper FAP issuance for January 2025 is \$[REDACTED] the same amount calculated by MDHHS. Thus, MDHHS properly determined Petitioner's FAP eligibility beginning January 2025

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner to be eligible for \$[REDACTED] in FAP benefits beginning January 2025. The actions taken by MDHHS are **AFFIRMED**.

CG/dm



Christian Gardocki

Administrative Law Judge

APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR),

⁶ Petitioner testified she does not pay for heating and/or cooling thereby suggesting that Petitioner is not entitled to receive the h/u standard credit. For purposes of this decision, it will be accepted that Petitioner is eligible for the h/u credit.

⁷ MDHHS allows additional credits for "actual utility expenses". Such expenses are only allowed for utility installation charges, water well installation and maintenance, and septic installation and maintenance. BEM 554 (October 2019) p. 15. There was no evidence of applicable exceptions.

⁸ FAP eligibility can also be calculated by multiplying the net income by 30% and subtracting the amount from the maximum FAP issuance for the group.

including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://lrs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

Via Electronic Mail:

Respondent

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HOLDENM

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MOAHR

Via First Class Mail:

Petitioner

