



Date Mailed: March 25, 2025

Docket No.: 25-007043

Case No.: [REDACTED]

Petitioner: [REDACTED]

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

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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 17, 2025; the parties participated by telephone. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Danielle Moton, specialist. Eman Abdelaziz of Broomberg & Associates participated as an English-Arabic translator.

### 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. In [REDACTED] 2024, Petitioner received gross biweekly wages of \$[REDACTED] and \$[REDACTED]

25-007043

2. On [REDACTED] 2025, Client submitted to MDHHS an application for Child Development and Care (CDC) benefits reporting a household including three children.
3. As of [REDACTED] 2025, Petitioner received monthly child support of \$[REDACTED] for each of her three children in each of the past three months.
4. As of January 2025, Petitioner had no day care expenses and no dependent care expenses.
5. As of January 2025, Petitioner had \$1,500 in monthly housing expenses.
6. As of January 2025, Petitioner had an obligation to pay heating and/or cooling expenses as well as internet.
7. On January 13, 2025, MDHHS approved Petitioner for \$394 in FAP benefits beginning February 2025.
8. On February 4, 2025, Petitioner requested a hearing to dispute FAP eligibility for February 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 requested a hearing to dispute a reduction in FAP benefits beginning February 2025. Exhibit A, pp. 3-5. A Notice of Case Action dated January 13, 2025, approved Petitioner for \$394 in monthly FAP benefits beginning February 2025. Exhibit A, pp. 18-23.

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. A budget summary from the Notice of Case Action listed all relevant income and expenses. Exhibit A, pp. 19-20. During the hearing, all relevant budget factors were discussed with Petitioner.

In determining Petitioner's FAP eligibility, MDHHS factored a benefit group including Petitioner and three children. Petitioner did not dispute the benefit group size of four persons.<sup>1</sup>

MDHHS testified it calculated gross monthly wages of \$[REDACTED] for Petitioner; Petitioner complained the amount was too high. It was not disputed that Petitioner received gross biweekly wages of \$[REDACTED] on [REDACTED] 2024, and \$[REDACTED] on [REDACTED], 2024. For FAP benefits, MDHHS generally counts gross wages.<sup>2</sup> BEM 501 (July 2017), p. 7. For FAP, MDHHS converts stable or fluctuating biweekly income to a monthly amount by multiplying the average income by 2.15. BEM 505 (October 2023) p. 8. Multiplying Petitioner's average biweekly wages by 2.15 results in a total gross monthly income of \$1,803 (dropping cents): the same amount calculated by MDHHS.

MDHHS issues a 20% credit for timely reported employment income. Multiplying Petitioner's wages by 80% results in countable wages of \$[REDACTED] (dropping cents).

Petitioner testified she receives only \$[REDACTED] in monthly child support.<sup>3</sup> MDHHS counted \$[REDACTED] in monthly unearned income for Petitioner.<sup>4</sup> MDHHS testified that all unearned income derived from child support. For child support, generally, MDHHS is to use the average of child support payments received in the past three calendar months unless changes are expected.<sup>5</sup> BEM 505 (October 2023) p. 4. It was not disputed that Petitioner received \$[REDACTED] per month in support for each of her three children from October 2024 to December 2024. Multiplying the monthly income per child of [REDACTED] by 3 results in child support totaling \$[REDACTED] per month. MDHHS acknowledged it incorrectly included an extra \$[REDACTED] payment when budgeting child support.

Given the evidence, MDHHS improperly determined Petitioner's child support income. To simplify the remaining budget analysis, it will be accepted that MDHHS properly determined Petitioner's child support as \$[REDACTED]. Adding the inflated child support amount to countable wages results in a total countable income of \$2,865.

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,

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<sup>1</sup> See BEM 212 for policies on determining group size for FAP benefits.

<sup>2</sup> 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.

<sup>3</sup> No child support income was reported on Petitioner's CDC application. Exhibit A, pp. 7-13.

<sup>4</sup> Petitioner did not report child support income on the application. During the hearing, Petitioner understated her monthly support as \$[REDACTED].

<sup>5</sup> MDHHS may include the current month if all payments expected for the month have been received. BEM 505 (October 2023) p. 4. MDHHS is to not include amounts that are unusual and not expected to continue. *Id.*

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 was 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 \$217 (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 (\$217) and countable non-shelter expenses (\$0) from Petitioner's group's countable income (\$██████) results in an adjusted gross income of \$██████.

MDHHS credited Petitioner with monthly housing expenses of \$1,500; Petitioner did not dispute housing expenses. MDHHS credited Petitioner with a standard heating/utility (h/u) credit of \$664.<sup>6</sup> RFT 255 (October 2024) p. 1. Generally, the h/u credit covers all utility expenses and is the maximum credit available.<sup>7</sup> MDHHS additionally credited Petitioner with a \$50 internet expense. Adding Petitioner's housing expenses and utility credits results in total shelter expenses of \$2,214.

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 \$890. Because Petitioner's group has no SDV members, the excess shelter credit is capped at \$712 (see RFT 255).

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 \$1,936 in net income for Petitioner's group. A chart is used to determine the proper FAP benefit issuance.<sup>8</sup> RFT 260 (October 2024) pp. 1-5. Based on Petitioner's group size and net income, Petitioner's proper FAP issuance for February 2025 is \$394: the same amount calculated by MDHHS.

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<sup>6</sup> 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.

<sup>7</sup> 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.

<sup>8</sup> 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.

Given the evidence, MDHHS improperly determined Petitioner's FAP eligibility beginning February 2025 based on miscalculating Petitioner's child support income. As a remedy, MDHHS will be ordered to reprocess Petitioner's eligibility.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly determined Petitioner's FAP eligibility. It is ordered that MDHHS commence the following actions within 10 days of the date of mailing of this decision:

(1) Reprocess Petitioner's FAP eligibility beginning February 2025 subject to the finding that Petitioner's child support income per child averaged \$[REDACTED] per month; and

(2) Issue notice and supplements, if any, in accordance with policy.

The actions taken by MDHHS are **REVERSED**.

  
**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), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at [courts.michigan.gov](https://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](mailto: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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**Interested Parties**

BSC4  
M HOLDEN  
B CABANAW  
MOAHR

**Via First Class Mail:**

**Petitioner**

[REDACTED]  
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[REDACTED] MI [REDACTED]