Michigan Office of Administrative Hearings and Rules P.O. Box 30639 Lansing, MI 48909



**Date Mailed:** March 21, 2025 **Docket No.:** 25-007787

Case No.:

Petitioner:



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### **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; 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 telephone conference on March 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Remy Williams, Assistance Payments Worker.

### **ISSUE**

Did MDHHS properly close Petitioner's Food Assistance Program (FAP) case due to excess net income?

#### FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On January 2025, Petitioner applied for FAP benefits for a group size of two, consisting of his wife, (Wife), and himself. Petitioner reported that both Wife and he had recently been laid off from employment (Exhibit A, pp. 8-15).

- 2. Petitioner and Wife receive \$ in monthly unemployment compensation benefits (UCB) (Exhibit A, pp. 32-39).
- 3. On February 2025, MDHHS issued a Notice of Case Action, informing Petitioner that he was approved to receive \$ in monthly FAP benefits for a group size of two, based upon \$ in monthly unearned income (Exhibit A, pp. 9-15).
- 4. MDHHS realized that they had budgeted Petitioner's UCB amount in error. MDHHS updated Petitioner's FAP budget.
- 5. On February 2025, Petitioner requested a hearing to dispute the amount of FAP benefits that he is eligible to receive (Exhibit A, pp. 4-6).
- 6. On February 2025, MDHHS issued a Notice of Case Action, informing Petitioner that his FAP case will be closed, effective April 1, 2025, due to excess net income (Exhibit A, pp. 43-47).

# **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, MDHHS approved Petitioner to receive \$ in monthly FAP benefits. MDHHS made this determination in error, incorrectly budgeting the amount of unearned income from UCB that Petitioner receives. Upon updating Petitioner's FAP budget, MDHHS determined that he was over the net income limit for eligibility. Petitioner disputes the closure of his FAP case.

A non-categorically eligible, non-SDV FAP group must have income below the gross and net income limits. BEM 550 (April 2025), p. 1. Petitioner is a group size of two. The Gross Income Limit for a group size of two is \$2,215.00 and the Net Income Limit for a group size of two is \$1,704.00. RFT 250 (October 2024), p. 1. MDHHS presented budget documents listing the calculations to determine Petitioner's FAP eligibility (see Exhibit A, pp. 40-42).

All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits. BEM 500 (April 2022), pp. 1-5. MDHHS counts the gross amount of UCB as unearned income. BEM 503 (January 2025), p. 38. In this case, MDHHS obtained Petitioner's and Wife's UCB income information by conducting a consolidated inquiry search and entering his and Wife's actual income received into his household budget (see Exhibit A, pp. 32-39). Petitioner and Wife receive a gross amount of in monthly UCB. Since this is in excess of the Gross Income Limit for Petitioner's group size, MDHHS acted in accordance with policy in closing Petitioner's FAP case. Petitioner was advised at the hearing to reapply for FAP benefits if his income changes.

# **DECISION AND ORDER**

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 closed Petitioner's FAP case.

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

DANIELLE NUCCIO
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. 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 <u>MOAHR-BSD-Support@michigan.gov</u>, **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 WAYNE-CONNER-DHHS 4733 CONNER ST DETROIT, MI 48215 MDHHS-WAYNE-57- HEARINGS@MICHIGAN.GO
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