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



**Date Mailed:** March 21, 2025 **Docket No.:** 25-007791

Case No.:

Petitioner:



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এই। এই ইন্ট্রেই বিশ্বর আন্তর্ভার্ত এই একটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দন্তাবেজ অনুবাদ করুন।

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

### **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 by teleconference on March 19, 2025 and the parties participated jointly by Microsoft Teams from the Michigan Department of Health and Human Services (Department) local office. Petitioner appeared and represented himself. Petitioner was assisted by his son and witness, The Department of Health and Human Services (Department) was represented by Avery Smith, Assistance Payments Supervisor.

## **ISSUE**

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefit amount?

#### 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 is years old, his wife, (Spouse) is years old, and they each receive Supplemental Security Income (SSI) of per month and a State SSI Payment (SSP) of per quarter. (Exhibit A, pp. 11 – 12).

- 2. On December 2024, the Department received a completed redetermination application from Petitioner. Petitioner reported that his mortgage expense had increased to \$ and that he was responsible for heat and other utilities. Respondent did not report an internet expense or any medical expenses for himself or Spouse. (Exhibit A, pp. 6 10).
- 3. On December 2024, the Department received a document from Petitioner entitled "Payment Clarification" that reported Petitioner and Spouse each pay per month for their shelter. (Exhibit A, p. 16).
- 4. On February 2025, the Department sent Petitioner a Notice of Case Action (NOCA) that approved Petitioner for FAP benefits of \$ per month, effective February 1, 2025, for a two-person FAP group.
- 5. On February 2025, the Department received a request for hearing from Petitioner disputing a reduction of Petitioner's monthly FAP benefit from approximately per month to per month. (Exhibit A, pp. 3 5).
- 6. On February 2025, the Department sent Petitioner a NOCA that increased Petitioner's monthly FAP benefit amount to \$ per month effective March 1, 2025 ongoing. (Exhibit A, pp. 14, 17 21).
- 7. On February 19, 2025, the Department issued Petitioner a FAP benefit supplement in the amount of **\$150** for the February benefit month.

# **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.

Petitioner requested a hearing to dispute the amount of his monthly FAP benefit. The Department approved Petitioner for per month for a two-person FAP group for February 2025 and increased Petitioner's monthly benefit to per month for a two-person FAP group effective March 1, 2025 ongoing. The Department also issued supplemental FAP benefits to Petitioner on February 19, 2025 for the February benefit month.

To determine whether the Department properly calculated Petitioner's FAP benefit amount, the Department begins with the client's countable earned and unearned income. BEM 500 (April 2022), pp. 1-5. For SSI and SSP income, the Department counts the gross benefit amount as unearned income. BEM 503 (January 2025), pp. 35-37. In this case, the Department and Petitioner agreed that Petitioner's and Spouse's total gross countable income was from SSI and SSP, in the amount of \$\frac{1}{2}\text{per month.}

After countable income is calculated, the Department must determine which deductions are available to Petitioner. Because Petitioner and Spouse are both over 60 years old, they are considered a senior/disabled/veteran (SDV) household. BEM 550 (October 2024), p. 1. Households with SDV members with unearned income may be eligible for the following deductions only:

- Standard deduction based on group size.
- Dependent care expense.
- Medical expense deduction for medical expenses of the SDV member in excess of \$35.
- Court ordered child support and arrearages paid to non-household members.
- Excess shelter deduction.

BEM 554 (January 2025) p. 1; BEM 556 (October 2024) pp. 4 – 6.

Petitioner was entitled to, and received, a \$204 standard deduction from the group's countable income based on his two-person FAP group size. BEM 550, p. 1; RFT 255 (October 2024). Petitioner did not report any medical expenses or health insurance premiums in excess of \$35, dependent care expenses, or court ordered child support expenses, and the Department properly did not include deductions for those expenses.

Next, the Department determines any excess shelter expense deduction. To start, the Department first calculates Petitioner's adjusted gross income (AGI) by subtracting the allowable deductions outlined above from the gross countable income. As discussed, the evidence established that Petitioner's gross countable income was \$ and that he was only entitled to the standard deduction of \$204, which resulted in AGI of \$

To complete the excess shelter deduction calculation, the Department reviewed Petitioner's housing and utility expenses. Although Petitioner initially reported that his housing expense was \$ per month, there was no dispute that Petitioner's actual verified housing expense was \$1,000 per month. There was also no dispute that Petitioner was responsible for payment of heat and other utilities and did not have an internet expense. When a FAP group has heating and other utility expenses, separate from their housing payment, it is entitled to a heat and utility (h/u) standard amount to be included in the calculation of the excess shelter deduction, which is the highest amount available to FAP groups who pay utilities. BEM 554, p. 17. The h/u standard amount is

\$664 (RFT 255) and the Department properly budgeted Petitioner's housing expense and used the h/u standard amount when calculating Petitioner's excess shelter expense.

Once Petitioner's housing and utility expenses have been determined, the Department must add those amounts together for a total shelter amount and then subtract 50% of Petitioner's AGI from the total shelter amount. BEM 556, pp. 5 – 6. This determines Petitioner's excess shelter deduction. The total of Petitioner's monthly housing of \$1,000 and the h/u standard of \$664 was \$1,664. When 50% of Petitioner's \$ AGI, in the amount of \$633, is subtracted from the total shelter amount of \$1,664, Petitioner's excess shelter deduction was \$ which is what the Department included on the budget. When Petitioner's excess shelter deduction of \$ is subtracted from his AGI of \$ Petitioner's net income is \$ income included on the Department's calculations were made consistent with policy.

Once the net monthly income has been determined under the FAP program, the Department determines what benefit amount Petitioner is entitled to, based on the group size, according to the Food Assistance Issuance Table found in RFT 260. Based on Petitioner's two-person FAP group size and net income of \$235, the Department properly determined Petitioner's monthly benefit amount of \$ for March 2025 ongoing. RFT 260 (October 2024), p. 4.

It is noted that during the hearing, the Department testified that a FAP supplement of \$\cong \text{was}\$ issued to Petitioner on February 2025 for the month of February, which increased the total FAP issued to Petitioner for February to \$\cong \text{The Department testified that the supplement was issued based on the monthly mortgage payment Petitioner reported on his December 2024 redetermination application rather than the amount he and Spouse actually contribute to the mortgage payment. For the reasons explained previously, when Petitioner's verified housing expense of \$1,000 was used to determine his monthly benefit amount, the Department properly determined Petitioner's monthly FAP benefit effective March 1, 2025.

## **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 determined Petitioner's FAP benefit amount effective March 1, 2025 ongoing.

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

CARALYCE M. LASSNER 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 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.

<u>Via Electronic Mail:</u>	Respondent OAKLAND COUNTY DHHS - SOUTHFIELD DIST 25620 W 8 MILE RD SOUTHFIELD, MI 48033 MDHHS-OAKLAND-6303- HEARINGS@MICHIGAN.GOV
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