



Date Mailed: February 20, 2025

Docket No.: 25-003117

Case No.:

Petitioner:

«RECIP_FULL_NAME»

«RECIP_ADD0»

«RECIP_ADD1»

«RECIP_ADD2»

«RECIP_CITY», «RECIP_SPCODE»

«RECIP_POSTAL»

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

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

Este es un documento legal importante. Por favor, que alguien traduzca el documento.

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.

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 February 12, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Ebony Manuel, Eligibility Specialist, and Corlette Brown, Hearings Facilitator.

ISSUES

Did MDHHS properly calculate Petitioner's Food Assistance Program (FAP) household budget to determine his monthly benefit amount?

Did MDHHS properly deny Petitioner's September 9, 2022 State Emergency Relief (SER) application?

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 for a group size of one. Petitioner is a senior (over [REDACTED] years old), disabled or disabled veteran (S/D/V) individual.

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2. On [REDACTED] 2024, Petitioner applied for FAP benefits and SER for assistance paying heat and water, as well as assistance in purchasing a new furnace and home repairs (Exhibit A, pp. 6-29).
 3. Petitioner receives \$ [REDACTED] per month in Retirement, Survivors, Disability Insurance (RSDI).
 4. On December 23, 2024, MDHHS issued a Notice of Case Action to Petitioner informing him that he is eligible for FAP benefits in the amount of \$23.00 monthly for a group size of one, effective January 1, 2025 (Exhibit A, pp. 33-37).
 5. On December 26, 2024, MDHHS issued a SER Decision Notice to Petitioner informing him that his SER application was denied (Exhibit A, pp. 38-40).
 6. On January 8, 2025, MDHHS received a timely submitted request for a hearing from Petitioner disputing the monthly amount of FAP benefits he is eligible to receive and the denial of his SER application (Exhibit A, pp. 3-4).

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).

Food Assistance Program (FAP)

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, Petitioner requested a hearing to dispute the determination of his monthly FAP amount. Petitioner is approved to receive \$23.00 in monthly FAP benefits, effective January 1, 2025.

FAP benefit amounts are determined by a client's net income. BEM 556 outlines the factors and calculations required to determine a client's net income. FAP net income factors group size, countable monthly income, and relevant monthly expenses. MDHHS presented budget documents listing the calculations to determine Petitioner's FAP eligibility (see Exhibit A, pp. 30-32). During the hearing, all relevant budget factors were discussed with Petitioner.

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. Petitioner reports receiving \$[REDACTED] in monthly RSDI. RSDI is a federal benefit administered by the Social Security Administration (SSA) that is available to retired and disabled individuals, their dependents, and survivors of deceased workers. MDHHS counts the gross benefit amount of RSDI as unearned income. BEM 503 (October 2022), p. 29. MDHHS properly relied upon \$[REDACTED] in unearned income. Petitioner confirmed that he receives no self-employment income or earned income. Therefore, MDHHS acted in accordance with policy in calculating Petitioner's income amount.

For groups containing S/D/V members, such as Petitioner's, MDHHS considers the following expenses: a standard deduction, childcare, court-ordered child support and arrearages paid to non-household members, medical expenses above \$35 for each S/D/V group member(s), and an uncapped excess shelter expense. BEM 554 (October 2022) p. 1.

A S/D/V group that has a verified one-time or ongoing medical expense(s) of more than \$35.00 for a S/D/V person(s) will receive the Standard Medical Deduction (SMD). The SMD is \$165.00. If the group has actual medical expenses which are more than the SMD, they have the option to verify their actual expenses instead of receiving the SMD. BEM 554, p. 9. Petitioner confirmed that he did not submit any medical expenses for MDHHS to consider. Petitioner was advised that in the future he may submit medical expenses to MDHHS for their consideration in Petitioner's household budget. Therefore, MDHHS properly counted Petitioner's medical expenses at \$0.00.

Petitioner's FAP benefit group size of one justifies a standard deduction of \$204.00. RFT 255 (October 2024), p. 1. MDHHS properly included the standard deduction in Petitioner's household budget. Petitioner testified that he does not pay any dependent care or child support expenses. Thus, MDHHS properly counted the group's non-shelter expenses to be \$204.00.

In determining Petitioner's excess shelter deduction, MDHHS considers housing expenses of: (i) basic shelter expenses such as rent, mortgage, a second mortgage, home equity loan, required condo or maintenance fees, lot rental or other payments including interest leading to ownership of the shelter occupied by the FAP group, *property taxes*, state and local assessments and insurance on the structure, and home repairs of a home which was substantially damaged or destroyed due to a natural disaster; (ii) the heat and utility (h/u) standard or individual utility standards; (iii) utility installation fees charged by the utility provider, excluding deposits; and (iv) well/septic installation and maintenance. BEM 554, pp. 13-25 (Emphasis added). In this case, Petitioner reported that he does not pay rent or a mortgage but pays current taxes for the property. MDHHS testified that they calculated \$[REDACTED] in monthly taxes based upon Petitioner's report of paying \$[REDACTED] in yearly taxes. Petitioner did not dispute this amount. Therefore, MDHHS properly calculated Petitioner's housing expenses.

Petitioner was credited with a standard heating/utility (h/u) credit of \$664.00. RFT 255, p. 1. Generally, the h/u credit covers all utility expenses and is the maximum credit available. FAP groups that qualify for the h/u standard do not receive any other individual utility standards. BEM 554, p. 16. Therefore, MDHHS properly calculated Petitioner's utility credits.

MDHHS only credits FAP benefit groups with an "excess shelter" expense. The excess shelter expense is calculated by subtracting half of the adjusted gross income from the total shelter obligation. In Petitioner's case, this results in \$252.00. 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. RFT 260 (October 2024) p. 14. Based on Petitioner's group size and net income, Petitioner's proper FAP benefit issuance is \$23.00; the same issuance amount that was calculated by MDHHS. Thus, MDHHS properly determined Petitioner's FAP eligibility.

State Emergency Relief (SER)

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

State Emergency Relief (SER) prevents serious harm to individuals and families. SER assists applicants with safe, decent, affordable housing and other essential needs when an emergency situation arises. ERM 101 (March 2013), p. 1. Clients **must** be informed of all verifications that are required and where to return verifications. The due date is eight calendar days, which begins on the date the SER Verification Checklist is generated. ERM 103 (October 2024), pp. 5-6 (Emphasis added).

In this case, on [REDACTED] 2024, Petitioner applied for SER for assistance paying heat and water, as well as assistance in purchasing a new furnace and home repairs. MDHHS testified that no verification was requested from Petitioner to determine his eligibility for any SER program. As stated in policy ERM 103, MDHHS is required to inform Petitioner of the information needed to process. Since MDHHS did not issue a VCL for Petitioner's SER application, they did not act in accordance with policy in denying Petitioner's SER application.

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 MDHHS acted in accordance with Department policy when it determined Petitioner to be eligible for \$23.00 in monthly FAP benefits but did not act in accordance with policy when it denied Petitioner's SER application.

Accordingly, the Department's decision is **AFFIRMED IN PART** with respect to FAP and **REVERSED IN PART** with respect to SER.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reprocess Petitioner's [REDACTED] 2024 SER application;
2. Seek additional verification from Petitioner only if required by policy or previously submitted verification is unclear or incomplete;
3. If Petitioner is eligible for supplements, issue supplements to Petitioner for any SER benefits he was eligible to receive but did not from December 17, 2024 ongoing
4. Notify Petitioner of its decision in writing.



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. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed. 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

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Via Electronic Mail:

Respondent

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Via First Class Mail:

Petitioner

