



Date Mailed: FEBRUARY 26, 2025
Docket No.: 25-004062
Case No.: [REDACTED]
Petitioner: [REDACTED]

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এটি একটি গুরুত্বপূর্ণ আইনি উকুমেন্ট। দয়া করে কেউ দ্রাবেজ 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; 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 24, 2025. Petitioner appeared and was represented by Cassandra Walker, Member Advocate, from Westside Mothers. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Danielle Moton, Assistance Payments Worker.

ISSUE

Did MDHHS properly calculate Petitioner's Food Assistance Program (FAP) budget to determine his monthly 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 an ongoing recipient of FAP benefits for a one-person household. Petitioner is considered to be a S/D/V individual (senior (over [REDACTED] years old), disabled or disabled veteran).

2. Effective January 1, 2025, Petitioner receives monthly Retirement, Survivors, Disability Insurance (RSI) in the amount of \$ [REDACTED].
3. On December 11, 2024, MDHHS issued a Notice of Case Action to Petitioner informing him that his monthly FAP amount would be \$124.00 for a one-person FAP group, effective January 1, 2025 (Exhibit A, pp. 17-21).
4. On January 8, 2025, Petitioner requested a hearing to dispute the reduction in his monthly FAP benefits (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).

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 determination that he is eligible to receive \$124.00 in monthly FAP benefits.

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 used to determine Petitioner's FAP eligibility (see Exhibit A, pp. 13-14). 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. Effective January 1, 2025, Petitioner receives \$ [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 (January 2025), 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 (January 2025) 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. In this case, Petitioner did not submit verification of out-of-pocket medical expenses to MDHHS. Petitioner is encouraged to submit any out of pocket medical expenses to MDHHS in the future. Therefore, MDHHS properly calculated Petitioner's medical expenses to be \$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 expenses 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. Generally, the h/u credit covers all utility expenses and is the maximum credit available in the amount of \$664.00. BEM 503, p. 17; RFT 255, p. 1. A FAP group who is responsible for paying for an internet service (at least the basic service) is eligible for the internet standard. This expense is separate from any of the utility standards. BEM 554, p. 26; RFT 255, p. 1.

In this case, Petitioner testified that he pays homeowner's insurance and property taxes in the amount of \$481.41 monthly, and pays for utilities and internet service, for a total shelter expense of \$1,195.00. 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 this case, that results in an excess shelter expense of \$610.00.

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. Based upon Petitioner's group size and net income, he is eligible to

receive \$124.00 in monthly FAP benefits for a one-person FAP group. RFT 260 (October 2024), p. 8. Therefore, MDHHS properly determined Petitioner's monthly FAP benefit amount.

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 monthly FAP amount to be \$124.00.

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. 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

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks.

Via Electronic Mail:

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