



Date Mailed: March 27, 2025

Docket No.: 25-008445

Case No.: [REDACTED]

Petitioner: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

This is an important legal document. Please have someone translate the document.

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

On [REDACTED] 2025, Petitioner [REDACTED] requested a hearing to dispute public assistance benefits. As a result, a hearing was scheduled to be held on March 25, 2025. Public assistance hearings are held 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; 45 CFR 205.10; and Mich Admin Code, R 792.11002.

The parties appeared for the scheduled hearing. Petitioner appeared and represented herself. Respondent Michigan Department of Health and Human Services (Department) had Assistance Payments Supervisor Jennifer Richard appear as its representative. Neither party had any additional witnesses.

Both parties provided sworn testimony, and one exhibit was admitted into evidence. A 48-page packet of documents provided by the Department was admitted into evidence collectively as Exhibit A.

ISSUE

Did the Department properly determine Petitioner's 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:

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1. Petitioner is a FAP benefit recipient.
 2. Petitioner is not a senior or disabled individual.
 3. On January 16, 2025, Petitioner applied for FAP benefits from the Department. In Petitioner's application form, Petitioner reported the following pertinent information:
 - a. Petitioner buys and prepares food separately from the other members of her household.
 - b. Petitioner works 23 hours per week at Licari's.
 - c. Licari's pays Petitioner biweekly.
 - d. Petitioner pays \$600.00 per month for rent.
 - e. Petitioner pays for heating/cooling utilities.
 - f. Petitioner pays an internet expense.
 4. On January 22, 2025, the Department interviewed Petitioner. Petitioner reported the following pertinent information:
 - a. Petitioner works 23 hours per week at Licari's.
 - b. Licari's pays Petitioner [REDACTED] per hour.
 - c. Licari's pays Petitioner biweekly.
 - d. Petitioner receives approximately [REDACTED] in tips biweekly.
 5. The Department determined that Petitioner was eligible for FAP benefits.
 6. On January 22, 2025, the Department mailed Petitioner a notice of case action to notify her that she was eligible for FAP benefits. The notice stated that Petitioner was eligible for a \$141.00 FAP benefit from January 17, 2025, through January 31, 2025, and the notice stated that Petitioner was eligible for a \$292.00 FAP benefit each month thereafter. The Department included a budget that showed the information the Department used to determine Petitioner's FAP benefit amount. The budget showed that the Department used the following information:
 - a. Group size of one.
 - b. [REDACTED] per month for earned income.
 - c. \$600.00 per month for housing costs.
 - d. \$204.00 per month for a standard deduction.

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- e. \$50.00 per month for an internet deduction.
 - f. \$664.00 per month for a heat/utility standard.
7. On January 22, 2025, the Department received Petitioner's paystubs from Licari's. Petitioner provided the following paystubs:
 - a. Paystub for January 10, 2025, check date. Petitioner received gross pay of [REDACTED], which was composed of 18.48 hours at [REDACTED] per hour and [REDACTED] for tips.
 - b. Paystub for January 24, 2025, check date. Petitioner received gross pay of [REDACTED], which was composed of 41.95 hours at [REDACTED] per hour, 3.62 hours at [REDACTED] per hour, and [REDACTED] for tips.
 8. The Department reviewed Petitioner's paystubs and redetermined her FAP eligibility based on the January 24, 2025, paystub. The Department omitted the January 10, 2025, paystub because it was a partial check from the week that Petitioner started her employment. The Department determined that Petitioner's earned income was [REDACTED] per month.
 9. On February 6, 2025, the Department mailed Petitioner a notice of case action to notify her that she was eligible for a \$23.00 FAP benefit each month, effective March 2025. The Department included a budget that showed the information the Department used to determine Petitioner's FAP benefit amount. The budget showed that the Department used the following information:
 - a. Group size of one.
 - b. [REDACTED] per month for earned income.
 - c. \$600.00 per month for housing costs.
 - d. \$204.00 per month for a standard deduction.
 - e. \$50.00 per month for an internet deduction.
 - f. \$664.00 per month for a heat/utility standard.
 10. Petitioner requested a hearing to dispute her FAP benefit amount.
 11. On March 4, 2025, Petitioner provided the Department with additional paystubs.
 12. The Department is in the process of reviewing Petitioner's additional paystubs and redetermining her FAP eligibility.

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) 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 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, the Department decreased Petitioner's FAP benefit from \$292.00 per month to \$23.00 per month after Petitioner provided the Department with her paystubs. The issue is whether the Department properly determined Petitioner's FAP benefit amount when it determined that Petitioner was eligible for a maximum FAP benefit of \$23.00 per month.

Petitioner provided the Department with two paystubs. One paystub was a partial check from the week that Petitioner started her employment, so the Department omitted it when it determined Petitioner's earned income. The Department is required to prospect income using the best estimate of income expected to be received. BEM 505 (October 1, 2023), pp. 3-4. The Department properly determined that Petitioner's first whole paycheck was the best source to estimate Petitioner's future income.

The Department must convert income to standard monthly amount. *Id.* at 8-9. Petitioner's employer paid Petitioner biweekly. When pay is received biweekly, the Department must multiply the gross pay by 2.15 to calculate a standard monthly amount. *Id.* The Department properly multiplied Petitioner's gross pay from her January 24, 2025, check by 2.15 to determine Petitioner's monthly income. Petitioner's gross pay from her January 24, 2025, check was [REDACTED] and the product of [REDACTED] multiplied by 2.15 is [REDACTED]. Thus, the Department properly determined Petitioner's earned income amount when the Department determined that Petitioner's earned income was [REDACTED] per month.

There is gross income limit to be eligible for FAP benefits that applies to households that do not have a senior or disabled member. 7 CFR 273.10(e)(2)(B). Gross household income is the total of all earned and unearned income that a household receives. 7 CFR 273.(e)(1)(i)(A) and 7 CFR 273.10(e)(2)(B). The gross income limit applies to Petitioner because her household does not have a senior or disabled member. Petitioner's gross household income consisted solely of her earned income, so Petitioner's gross household income was [REDACTED] per month. The gross income limit for a household size of one was \$1,632.00 per month. RFT 250 (October 1, 2024). Thus, Petitioner's gross income exceeded the gross income limit to be eligible for FAP benefits. When a household is ineligible for FAP benefits due to an increase in income, the Department must close the

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household's FAP case unless the household's ineligibility due to income is expected to be limited to only one month. BEM 505 (October 1, 2023), p. 13. There was no indication that Petitioner's gross income was expected to exceed the gross income limit for only one month, so the Department should have closed Petitioner's FAP benefits.

The Department's decision is reversed. The Department should have closed Petitioner's FAP benefits, 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 did not act in accordance with its policies and the applicable law when it determined Petitioner's FAP benefit amount.

IT IS ORDERED that the Department's decision is **REVERSED**. The Department must close Petitioner's FAP benefits, effective March 1, 2025, consistent with this hearing decision. The Department must begin to implement this order within 10 days of the mailing date of this hearing decision.



JEFFREY KEMM
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.

Via Electronic Mail:

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Interested Parties

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B. CABANAW
M. HOLDEN
MOAHR

Via First Class Mail:

Petitioner

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]