



Date Mailed: July 10, 2025

Docket No.: 25-015311

Case No.: [REDACTED]

Petitioner: [REDACTED]

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

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

[REDACTED]

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Case No.: [REDACTED]

Petitioner: [REDACTED]

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 June 30, 2025. Petitioner appeared for the hearing and was represented by his Authorized Hearing Representative (AHR) [REDACTED]. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Diane Godfrey, Eligibility Specialist.

ISSUE

Did the Department properly calculate the amount of Petitioner's Food Assistance Program (FAP) benefits?

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. Petitioner was previously approved for FAP benefits in the amount of \$186 monthly.
2. In connection with a Mid-Certification Contact Notice, Petitioner's eligibility to receive FAP benefits was reviewed. On or around January 8, 2025, Petitioner submitted a completed renewal for his FAP case. (Exhibit A, pp. 8-9)
3. Prior to the review, the Department had been applying the \$165 standard medical deduction to Petitioner's FAP budget based on medical expenses that were previously reported.
4. In processing the Mid-Certification Contact Notice and completing the renewal, the Department determined that because Petitioner did not submit any verification of medical expenses and did not otherwise report monthly medical expenses on the renewal forms, he was no longer eligible for the standard medical deduction and the expense was removed from Petitioner's FAP budget.

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5. On or around January 21, 2025, the Department sent Petitioner a Notice of Case Action advising him that effective March 1, 2025, he was approved for FAP benefits in the amount of \$99 monthly. (Exhibit A, pp. 10-14)
 6. On or around April 16, 2025, Petitioner submitted a verbal request for hearing, disputing the Department's actions with respect to the reduction in his FAP benefits. (Exhibit A, pp. 3-6, 22)

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, Petitioner verbally requested a hearing disputing the decrease in his FAP benefits to \$99 effective March 1, 2025. (Exhibit A, pp. 3-6, 22).

As a preliminary matter, Petitioner's AHR submitted Exhibit 1, containing 131 pages of documents, many of which are unrelated to the limited issue of the calculation of Petitioner's FAP benefits for March 1, 2025, ongoing. (Exhibit 1). A review of Petitioner's Exhibit 1 shows that Petitioner's AHR references arguments regarding the Department's actions with respect to Petitioner's Medical Assistance (MA) and State Emergency Relief (SER) cases, as well as disputes regarding the FAP including a Food Replacement Affidavit from September 7, 2023, the failure to include a homeless shelter deduction to Petitioner's FAP budget from September 2013 to September 2021, and supplemental Emergency Allotment FAP benefits not received during the time period of the COVID-19 pandemic and public health emergency. Upon review, the additional arguments unrelated to the calculation of the FAP benefit amount for March 1, 2025, are outside the scope of the present hearing request and will not be addressed with this Hearing Decision. See BAM 600.

At the hearing, and with respect to the decrease in Petitioner's FAP benefits to \$99 effective March 1, 2025, the Department representative testified that Petitioner's FAP eligibility was due for review and that after processing the Mid-Certification Contact Notice and removing an old medical expense from 2022, Petitioner was approved for FAP benefits in the amount of \$99 effective March 1, 2025, ongoing. The Department

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presented a FAP EDG Net Income Results Budget which was thoroughly reviewed to determine if the Department properly calculated the Petitioner's FAP benefits in the amount of \$99. (Exhibit A, pp. 19-21).

All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits and group composition policies specify whose income is countable. BEM 500 (April 2022), pp. 1 – 5. The Department considers the gross amount of money earned from RSDI/Social Security in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (April 2024), p. 29-35.

The budget reflects unearned income of [REDACTED] which consisted of Petitioner's monthly RSDI/Social Security benefits. Petitioner's AHR confirmed that the gross amount of Petitioner's monthly Social Security benefits is [REDACTED]. Thus, the Department properly calculated Petitioner's unearned income.

The deductions to income on the net income budget were also reviewed. Petitioner's FAP group includes a senior/disabled/veteran (SDV) member. BEM 550 (October 2024), pp. 1-2. Petitioner's FAP group is eligible for the following deductions to income:

- Dependent care expense.
- Excess shelter.
- Court ordered child support and arrearages paid to non-household members.
- Standard deduction based on group size.
- Medical expenses for the SDV member(s) that exceed \$35.
- An earned income deduction equal to 20% of any earned income.

BEM 554 (October 2024), p. 1; BEM 556 (October 2024), p. 1-8.

Petitioner's group did not have any earned income, thus, there was no applicable earned income deduction. There was no evidence presented that Petitioner had any out-of-pocket dependent care or child support expenses and therefore, the budget properly did not include any deduction for dependent care or child support. The Department also properly applied a standard deduction of \$204 which was based on Petitioner's confirmed group size of one. RFT 255 (October 2024), p. 1.

The March 2025 budget reflects a medical deduction of \$0. The Department representative testified that prior to the current review, the standard medical deduction of \$165 had been applied to Petitioner's monthly FAP budget, as previous expenses were reported to the Department in January 2022. The Department representative testified that the previous expenses should not have been applied on an ongoing basis and were mistakenly included in the FAP budget for several months. (Exhibit A, p. 15). The Department representative testified that in processing the Mid-Certification Contact Notice and completing the renewal, the Department determined that because Petitioner did not submit any verification of medical expenses and did not otherwise report monthly

medical expenses on the renewal forms, he was no longer eligible for the standard medical deduction and the expense was removed from Petitioner's FAP budget.

At application and redetermination, the Department is to estimate an SDV member's medical expenses for the benefit period based on (i) verified allowable medical expenses; (ii) available information about the SDV member's medical condition and health insurance; and (iii) changes that can reasonably be anticipated to occur during the benefit period. An SDV group that has a verified one-time or ongoing medical expense(s) of more than \$35 for an SDV person(s) will receive the SMD. The SMD is \$165. 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, pp. 9-14. The list of allowable medical expenses is outlined in BEM 554, at pp. 11-12. The Department will verify allowable medical expenses, including the amount of reimbursement, at initial application and redetermination. Groups that continue to have a medical expense(s) that allow them to receive the SMD, will not need to reverify the expense at redetermination, unless questionable. Verify reported changes in the source or amount of medical expenses if the change would result in an increase in benefits. Do not verify other factors, unless questionable. Other factors include things like the allowability of the service or the eligibility of the person incurring the cost. BEM 554, p.13.

Petitioner's AHR disputed the Department's removal of the standard medical deduction and asserted that Petitioner has an ongoing monthly expense of \$180 for chiropractic care. Petitioner's AHR maintained that because Petitioner's medical expense was ongoing, Petitioner should not be required to submit a new verification at the time of the redetermination/renewal. However, the prior expense that was applied to the medical deduction was not for \$180 in chiropractic care and appears to be for a different medical service, which Petitioner failed to establish was ongoing at the time of the January 2025 review. (Exhibit A, p. 15). Additionally, Petitioner's AHR submitted a patient payment history report from Birmingham Chiropractic Clinic, PC showing a one-time payment of \$180 for a June 10, 2025, service date. (Exhibit 1, p.43). Petitioner's AHR asserted that a Treatment Plan showed that the monthly service is ongoing. A review of the Treatment Plan submitted with Exhibit 1 indicates that the treatment would be most effective when scheduled at a rate of 1 time per month for 6 months. (Exhibit 1, pp.44-50). It was unclear when this Treatment Plan was submitted to the Department, however, and because the receipt presented is from June 2025, it was not available to the Department at the time of the review. Petitioner's AHR further argued that if verification was required, the Department should have requested it. However, the evidence showed that because the expenses were not reported at the time of the review, the Department was not aware of the chiropractic expense, and thus, properly did not request verification. See BAM 130, BAM 210, BEM 554. Upon review, the Department properly removed the prior medical expense and based on the information available at the time of the review, excluded the standard medical deduction from the calculation of Petitioner's FAP budget for March 2025. Petitioner is advised that should he submit verified allowable and currently incurred medical expenses, the Department will process the expenses in accordance with the above referenced policy and apply them to the FAP budget for the applicable months.

With respect to the calculation of the excess shelter deduction, the Department representative testified that it considered \$188 in monthly rent and the \$664 heat and utility standard, which covers all heat and utility costs including cooling expenses and is the maximum total utility and most beneficial standard available to the client. BEM 554, pp. 13-21; RFT 255, p.1. Petitioner's AHR asserted that although Petitioner's portion of his monthly rent is \$188, the total rental obligation is \$975, with the remainder subsidized by HUD. Petitioner's AHR argued that the Department should apply the entire rental amount to Petitioner's FAP budget. However, a review of BEM 554 clearly indicates that if an expense is partially paid by an agency, only the amount the group is responsible to pay is considered. BEM 554, pp. 2, 14. Thus, the Department properly considered Petitioner's responsibility to pay rent in the monthly amount of \$188.

Petitioner's AHR also argued that Petitioner is responsible for internet expenses and should receive the internet standard. A FAP group who is responsible to pay for an Internet service is eligible for the \$50 Internet standard, which is separate from any of the utility standards. If questionable, the Department will verify receipt of the internet expense at application, redetermination, and when a change is reported. Acceptable verification sources include a current statement/bill or collateral contact with the provider. BEM 554, p.26; RFT 255 (October 2024). There was no evidence presented by Petitioner to establish that the internet expense was reported to the Department in connection with the current FAP review or at any point prior. Thus, the internet expense was properly excluded from the excess shelter deduction. Should Petitioner submit verification of the internet expense, the Department will process the reported change and apply it to the FAP budget, if allowable.

The excess shelter deduction is calculated by subtracting 50% of the adjusted gross income from the total shelter amount. The Department properly determined that Petitioner's total shelter amount was \$852 (\$188 in housing expense and \$664 in heat/utility standard) and 50% of his adjusted gross income of [REDACTED] was [REDACTED]. Thus, the Department properly determined that Petitioner was eligible for an excess shelter deduction of \$354.

After further review, the Department properly determined Petitioner's income and took into consideration the appropriate deductions to income. Based on net income of [REDACTED] Petitioner's one person FAP group is eligible for \$99 in monthly FAP benefits for the month of March 2025. RFT 260 (October 2024), p. 9.

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 calculated the amount of Petitioner's FAP benefits of \$99 for March 1, 2025, ongoing.

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



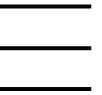
ZAINAB A BAYDOUN
ADMINISTRATIVE LAW JUDGE

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.



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