



Date Mailed: July 15, 2025

Docket No.: 25-020728

Case No.: [REDACTED]

Petitioner: [REDACTED]

[REDACTED]
MI [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.

Date Mailed: July 15, 2025

Docket No.: 25-020728

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; 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 telephone on July 9, 2025. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Eileen Kott, Family Independence Manager, and Arnesia Woods, Eligibility Specialist.

ISSUE

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

Did the Department properly deny Petitioner's application for State Emergency Relief (SER) application for relocation and security deposit assistance?

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 single, [REDACTED] years old, and has no dependent children; she receives \$[REDACTED] per month from Supplemental Security Income (SSI) and \$[REDACTED] per month from quarterly State SSI Payments (SSP). (Exhibit A, pp. 8, 11).
1. Since June 17, 2024, Petitioner has been an ongoing recipient of FAP benefits. (Exhibit A, pp. 21 – 23).
2. Effective January 1, 2025, the Department reduced Petitioner's FAP benefits from \$131 per month to \$115 per month. (Exhibit A, pp. 21 – 23).
3. On [REDACTED] 2025, the Department received an application for SER assistance from Petitioner. Petitioner reported that she was homeless, resided at the Detroit Rescue Mission, and was approved for housing subject to payment of a security deposit of \$[REDACTED] and \$[REDACTED] for her first month's rent. (Exhibit A, pp. 8 – 13).

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4. On May 20, 2025, the Department sent Petitioner a SER Decision Notice (SERDN) that denied Petitioner assistance due to excess income. (Exhibit A, pp. 14 – 16).
 5. On May 23, 2025, the Department received a request for hearing from Petitioner, disputing the amount of her monthly FAP benefit and denial of her application for SER assistance. (Exhibit A, pp. 3 – 6).

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.

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.

Petitioner requested a hearing to dispute the amount of her monthly FAP benefit and denial of her application for SER assistance for relocation expenses and a security deposit. Petitioner was an ongoing recipient of FAP benefits of \$115 per month, and the Department denied Petitioner SER assistance due to excess income.

FAP

Petitioner requested a hearing to dispute the amount of her monthly FAP benefit. Although the Department testified that it had no record of sending Petitioner any Notices of Case Action (NOCA) regarding her approval for FAP benefits, there was no dispute that Petitioner has received FAP benefits of \$115 per month since January 1, 2025. Immediately prior to January 1, 2025, Petitioner had been approved for \$131 per 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. The gross amount of SSI and SSP is unearned income. BEM 503 (January 2025), pp. 35 – 37. In this case, the Department and Petitioner agreed that Petitioner's total monthly income was from SSI and SSP in the amount of \$█.

After countable income is calculated, the Department must determine which deductions are available to Petitioner. Because Petitioner is disabled, she is considered a senior/disabled/veteran (SDV) household. BEM 550 (April 2025), pp. 1 – 2. 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 (June 2025) pp. 1, 11 – 13; BEM 556 (October 2024) pp. 4 – 6; RFT 255 (October 2024).

The Department introduced a budget to show how it determined Petitioner's FAP benefit amount. (Exhibit A, p. 17). The Department testified that Petitioner received a \$204 standard deduction from her countable income based on her one-person FAP group size. RFT 255 (October 2024). The Department testified, and Petitioner confirmed, that she did not have any medical, dependent care, or court ordered child support expenses. Therefore, the Department properly deducted only the \$204 standard deduction from Petitioner's gross income.

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 countable income. Based on Petitioner's gross income of \$█, and Petitioner's standard deduction of \$204, Petitioner's AGI was \$█.

To complete the excess shelter deduction calculation, the Department must review Petitioner's housing and utility expenses, if any. A FAP group which has no heating/cooling expense but has a responsibility to pay for a traditional land-line service, cellular phone service including per-minute or per-call service, and voice over Internet protocol (VoIP) must use the telephone standard to determine any excess shelter deduction. BEM 554, p. 24. The telephone standard amount is \$30. RFT 255. 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.

However, FAP groups in which all members are homeless may receive a homeless shelter deduction (HSD) if they have a shelter expense, and the group has the choice between using their actual shelter expense(s) to determine any excess shelter

deduction, or the homeless shelter deduction. BEM 554, p. 14. The HSD standard is \$190. RFT 255.

In this case, there was no dispute that Petitioner is homeless and has a telephone expense. Because the HSD is more than the telephone standard, and more beneficial to Petitioner, the Department subtracted the \$190 HSD from Petitioner's \$[REDACTED] AGI and determined Petitioner's net income was \$[REDACTED].

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 one-person FAP group size and net income of \$[REDACTED], the Department properly determined Petitioner's monthly FAP benefit amount of \$115. RFT 260 (October 2024), p. 9.

Once the Department determines a client's FAP eligibility, it is to send the client a NOCA to notify the client of the Department's determination and the client's rights to request a hearing, among other things. BAM 220 (November 2023), p. 2. However, the Department testified that it did not have any record of issuing a NOCA to Petitioner at any time from at least June 17, 2024, through the date of the hearing. Therefore, although the Department properly determined Petitioner's monthly FAP benefit amount was \$115 effective January 1, 2025 ongoing, it did not satisfy its burden of showing that it acted in accordance with Department policy when it failed to issue a NOCA to Petitioner regarding her FAP benefits effective January 1, 2025 ongoing.

It is noted that Petitioner expressed concern that the FAP benefit amount she received was less than she was eligible to receive because she had agreed to 'assign' a portion of her benefits to the homeless shelter in which she resides. However, there was no evidence that the FAP benefits Petitioner was eligible to receive were reduced by any amount or otherwise issued to anyone other than Petitioner.

SER

SER assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2024), p. 1; ERM 101 (March 2023), p. 1. Additionally, homeless applicants requesting relocation services must meet certain criteria to qualify for such assistance, including living in an emergency shelter designated to provide temporary living arrangements. ERM 303, p. 2.

The amount of SER relocation services assistance must resolve the applicant's shelter emergency and, for a one-person group such as Petitioner, is limited to a maximum of \$410 during one fiscal year. ERM 303, pp. 1, 7. However, applicants must use their available income and cash assets to help resolve the emergency. ERM 208 (October 2024), p. 1. An individual meets income eligibility for relocation services if the total monthly net income received, or expected to be received, by the individual in the 30-day

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period after the application, which is the countable income period, is less than the basic monthly income need standard. ERM 206 (October 2024), p. 1; ERM 208, pp. 1, 6. For an individual, such as Petitioner, the income need standard is \$455. ERM 100 (October 2024), p. 4; ERM 208, p. 6

To determine an applicant's net income for purposes of SER, the Department begins with the client's countable earned and unearned income; and the gross amounts of SSI and SSP are unearned income. ERM 206, pp. 1 – 2. The Department then deducts any mandatory withholding taxes, court ordered child support payments, and payments for health insurance and Medicare premiums that will not be reimbursed by a third party. ERM 206, pp. 4 – 5.

Although the Department did not introduce a budget to show how it determined Petitioner had excess income for SER relocation assistance, as explained previously, Petitioner's SSI income was \$[REDACTED] and Petitioner testified that she did not pay any medical insurance premiums or have court ordered child support expenses, and there was no evidence that she was subject to any mandatory tax withholding. Because there was no evidence that Petitioner received a quarterly SSP during the countable income period, for purposes of SER, Petitioner's net countable income was at least \$[REDACTED].

The portion of an individual's net income that is more than the basic monthly income need standard for a one-person SER group must be deducted from the cost of resolving the emergency and is the individual's income copayment. ERM 208, p. 1. An applicant's copayment is the amount they must pay toward the cost to resolve their emergency and is deducted from the cost of resolving the emergency. ERM 208, p. 2.

Here, Petitioner requested assistance of \$[REDACTED] for relocation expenses and \$[REDACTED] for a security deposit, for a total cost of \$[REDACTED]. When Petitioner's net countable income \$[REDACTED] was reduced by the \$445 need standard for her one-person SER group, her income copayment was \$[REDACTED]. Because her copayment was more than the total cost of resolving her emergency, the Department properly determined that Petitioner had excess income for the assistance she requested. Therefore, the Department properly denied Petitioner's SER application for relocation assistance.

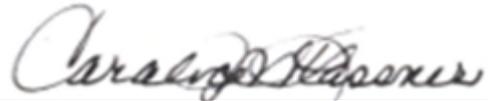
DECISION AND ORDER

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 denied Petitioner's SER application for relocation assistance; but did not satisfy its burden of showing that it acted in accordance with Department policy when it failed to issue a NOCA to Petitioner regarding her FAP benefit eligibility.

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

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. Issue a Notice of Case Action to Petitioner regarding her FAP benefits for the benefit period effective January 1, 2025 ongoing.



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.

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Via Electronic Mail:

Respondent

WAYNE-GRATIOT/SEVEN MILE-DHHS
4733 CONNER ST STE G7
DETROIT, MI 48215

MDHHS-WAYNE-76-HEARINGS@MICHIGAN.GOV

Interested Parties

E. HOLZHAUSEN
J. MCLAUGHLIN
B. CABANAW
M. HOLDEN
BSC4

Via First Class Mail:

Petitioner

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