



Date Mailed: July 10, 2025

Docket No.: 25-021501

Case No.: [REDACTED]

Petitioner: [REDACTED]

[REDACTED]
MI [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.

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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; 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 3, 2025. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Priya Johnson, Assistance Payments Supervisor.

ISSUE

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefits effective June 1, 2025?

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 FAP group.
1. Petitioner is a single, disabled, individual who receives Retirement, Survivors, and Disability Insurance (RSDI) income and Supplemental Security Income (SSI) in the total amount of \$[REDACTED] per month, and pays rent, heat, and other utilities.
2. On May 6, 2025, the Department interviewed Petitioner as part of the redetermination process. (Exhibit A, pp. 8 – 14).
3. On May 6, 2025, the Department sent Petitioner a Notice of Case Action (NOCA) that approved Petitioner for \$222 per month in FAP benefits for a one-person FAP group effective June 1, 2025 ongoing. (Exhibit A, pp. 21 – 22).
4. On June 3, 2025, the Department received a request for hearing from Petitioner, disputing the amount of Petitioner's monthly FAP benefit. (Exhibit A, pp. 3 – 7).

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 amount of his monthly FAP benefit. Petitioner was previously approved for FAP benefits in the amount of \$292 per month. Following a redetermination application, the Department approved Petitioner for FAP benefits of \$222 per month for a one-person FAP group effective June 1, 2025 ongoing. The Department's determination was based on a reduction in Petitioner's housing expense.

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 RSDI income and/or SSI is unearned income. BEM 503 (January 2025), pp. 30 – 32, 35 – 37. In this case, the Department and Petitioner agreed that Petitioner's total monthly income was from RSDI and SSI in the amount of \$ [REDACTED].

After countable income is calculated, the Department must determine which deductions are available to Petitioner. Because Petitioner is disabled, he 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.

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The Department introduced a budget to show how it determined Petitioner's FAP benefit amount. (Exhibit A, pp. 18 – 19). The evidence established that Petitioner received a \$204 standard deduction from his countable income based on his one-person FAP group size. RFT 255 (October 2024). The Department testified, and Petitioner confirmed, that he did not report any medical expenses and did not have any dependent care or court ordered child support expenses. Therefore, the Department properly deducted only the \$204 standard deduction from Petitioner's total monthly 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 \$[REDACTED] and Petitioner's standard deduction of \$204, Petitioner's AGI was \$[REDACTED].

To complete the excess shelter deduction calculation, the Department must review Petitioner's housing and utility expenses.

Here, although there was no dispute that Petitioner had a housing expense and was responsible for payment of heat and other utilities, the amount of Petitioner's reported housing expense was in dispute. The Department testified that during the redetermination interview, Petitioner reported his housing expense was \$300 per month. However, Petitioner testified that his housing expense was \$600 per month, that his housing expense did not change, and that he did not report that it was \$300. The Department further testified that prior to the most recent redetermination, it had budgeted \$695 per month for Petitioner's housing expense since April 2024. There was no dispute that the Department did not send Petitioner a verification checklist (VCL) or otherwise verify the change in his housing expense prior to issuing the NOCA regarding his FAP benefit amount effective June 1, 2025. Because there was a dispute as to the amount Petitioner reported as his housing expense, the Department did not satisfy its burden of showing that it acted in accordance with Department policy when it budgeted \$300 per month for Petitioner's housing expense to determine his excess shelter deduction.

It is noted that Petitioner also disputed the Department's allotment of \$664 for his heat and utilities expense in the excess shelter deduction calculation, rather than considering each of his individual utility expenses. When a FAP group has heating and other utility expenses, separate from the mortgage or rent payment, it is entitled to a heat and utility (h/u) standard amount of \$664 to be included in the calculation of the excess shelter deduction, which is the highest amount available to FAP groups who pay utilities; the group is not entitled to individual utility expenses in the calculation of the deduction. BEM 554, p. 17; RFT 255. The Department properly used the h/u standard amount when calculating Petitioner's excess shelter expense.

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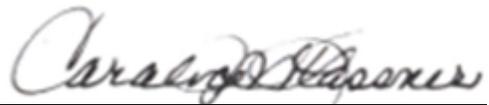
DECISION AND ORDER

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it budgeted \$300 per month for Petitioner's housing expense to determine his excess shelter deduction.

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

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. Redetermine Petitioner's FAP benefit eligibility effective June 1, 2025, requesting verification of Petitioner's housing expense if necessary;
2. If Petitioner is eligible for additional FAP benefits, issue supplemental payments to Petitioner for any FAP benefits he was eligible to receive but did not, from June 1, 2025; and
3. Notify Petitioner of its decision in writing.



**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.



Via Electronic Mail:

Respondent

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Interested Parties

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Via First Class Mail:

