



Date Mailed: July 7, 2025

Docket No.: 25-021852

Case No.: [REDACTED]

Petitioner: [REDACTED] [REDACTED]

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

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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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Docket No.: 25-021852

Case No.: [REDACTED]

Petitioner: [REDACTED] [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 telephone hearing was held via Microsoft Teams on June 30, 2025. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Karina Littles, manager, and Samar Baydoun, specialist.

ISSUES

The first issue is whether MDHHS properly terminated Petitioner's Food Assistance Program (FAP) eligibility.

The second issue is whether MDHHS properly determined Petitioner's FAP eligibility.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of February 2025, Petitioner received ongoing FAP benefits.
1. As of February 2025, Petitioner received \$[REDACTED] in gross monthly Retirement, Survivors, Disability Insurance (RSDI).
2. On February [REDACTED] 2025, MDHHS mailed Petitioner a Verification Checklist (VCL) requesting proof of monthly RSDI by March 10, 2025.
3. On March [REDACTED] 2025, MDHHS sent Petitioner notice of FAP benefit termination beginning April 2025 due to a failure by Petitioner to verify RSDI.

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4. On May █ 2025, Petitioner applied for FAP benefits and reported a household that included no other persons. Petitioner also reported housing costs of \$█ no responsibility for utilities, and having no medical expenses.
 5. As of May 2025, Petitioner's household had no child support or dependent care expenses.
 6. On May █ 2025, MDHHS approved Petitioner for \$█ in FAP benefits for May 2025 and \$█ beginning June 2025.
 7. On May 29, 2025, Petitioner requested a hearing to dispute the closure of FAP benefits and the amount following her reapplying. Petitioner also disputed the termination of Medical Assistance (MA) benefits.
 8. On June 30, 2025, Petitioner verbally withdrew her dispute over MA benefits.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396 to 42 USC 1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10 to 42 CFR 430.25. MDHHS administers the MA program pursuant to 42 CFR 435, MCL 400.10 and MCL 400.103 to MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.* MA policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing, in part, to dispute MA eligibility. During the hearing, Petitioner agreed that her MA dispute was resolved. Petitioner also agreed to withdraw her hearing request concerning MA benefits. Based on Petitioner's partial hearing request withdrawal, Petitioner's dispute over MA benefits will be dismissed.

The 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. MDHHS administers the FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. MA policies are contained in the BAM, BEM, and RFT.

Petitioner also requested a hearing to dispute a termination of FAP benefits. Exhibit A, pp. 3-5. MDHHS testified that a Notice of Case Action dated March █ 2025, stated that Petitioner's FAP eligibility would end April 2025 due to an alleged failure by Petitioner to verify unearned income; specifically, MDHHS alleged that Petitioner failed to verify RSDI.

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For all programs, MDHHS is to tell the client what verification is required, how to obtain it, and the due date. BAM 130 (May 2024) p. 3. MDHHS is to use the DHS-3503, Verification Checklist (VCL), to request verification. *Id.* MDHHS is to allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. *Id.*, p. 7. MDHHS is to send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed and the client has not made a reasonable effort to provide it. *Id.*

MDHHS testified that it sent Petitioner a VCL on February ■ 2025, requesting proof of monthly RSDI by March 10, 2025. MDHHS testified the request was triggered by efforts to sort Petitioner's MA eligibility. Normally, MDHHS can verify RSDI income through an SOLQ: a data exchange with the Social Security Administration. An SOLQ in the present case stated that Petitioner's RSDI was unable to be verified due the possibility that Petitioner received RSDI through a parent or spouse.¹ Thus, MDHHS's request for RSDI verification was proper.

MDHHS testified that Petitioner submitted RSDI verification from 2024 on May ■ 2025: one day after Petitioner reapplied for FAP benefits. MDHHS also testified it did not receive any verification of Petitioner's 2025 RSDI income until it contacted SSA through its office liaison to learn that Petitioner received \$■ in gross monthly RSDI.²

The evidence established that Petitioner did not timely submit RSDI verification to MDHHS. Accordingly, MDHHS properly sent Petitioner notice of FAP benefit termination on March ■ 2025; MDHHS also properly allowed Petitioner's FAP case to close beginning April 2025.

Petitioner lastly requested a hearing to dispute a determination of FAP benefits. Exhibit A, pp. 3-5. Petitioner applied for FAP benefits on May ■ 2025. Exhibit A, pp. 10-20. A Notice of Case Action dated May ■ 2025, approved Petitioner for a prorated amount of \$■ in FAP benefits for May 2025 and non-prorated amount of \$■ in FAP benefits beginning June 2025. Exhibit A, pp. 28-32.

¹ During the hearing, Petitioner expressed concern over fraud and was insistent that she did not receive RSDI through a parent or spouse. There was no evidence of fraud and a mere possibility of receipt of RSDI through a parent or spouse is consistent with Petitioner's insistence of not receiving RSDI through a family member.

² Consideration was given to accepting a bank statement from Petitioner as verification of RSDI despite MDHHS policy generally not accepting bank statements as proof of income. However, Petitioner acknowledged that her submitted bank statement did not include any deposit amounts; thus, it had no information concerning the amount of RSDI received by Petitioner.

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 is based on group size, countable monthly income, and relevant monthly expenses. MDHHS presented FAP budget documents listing all FAP eligibility factors and calculations. Exhibit A, pp. 26-27. A budget summary from the approval notice also listed FAP budget factors. Exhibit A, p. 29. During the hearing, all relevant budget factors were discussed with Petitioner.

MDHHS's determination factored a benefit group including only Petitioner. Petitioner did not object to the group size of one person.³

It was not disputed that Petitioner received gross monthly RSDI of \$[REDACTED]. For FAP benefits, gross RSDI is countable. BEM 503 (January 2023) p. 29. Petitioner had no other income. Petitioner's group's countable unearned income totaled \$[REDACTED].

MDHHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (January 2025) p. 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, MDHHS considers the following expenses: shelter expenses (housing and utilities) up to a capped amount, dependent care costs, and court-ordered child support and arrearages paid to non-household members (see *Id.*). 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 standard medical deduction (SMD) of \$165. *Id.*, p. 9. If the group has actual medical expenses which are more than the SMD, the group has the option to verify their actual expenses instead of receiving the SMD. *Id.*

As a disabled individual, Petitioner's medical expenses may be factored into her FAP eligibility. Petitioner's testimony claimed she had medical expenses, though none were reported on her application. Exhibit A, p. 16. Based on Petitioner's application reporting, Petitioner's reported medical benefits are accepted as \$0. Petitioner did not allege having child support or dependent care expenses. Petitioner's group's non-shelter expenses were properly counted by MDHHS to be \$0.

Petitioner credibly stated she paid a monthly vehicle expense and auto insurance. Vehicle expenses are not countable in determining FAP eligibility.

Petitioner's FAP benefit group size justifies a standard deduction of \$204 (see RFT 255). The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. The standard deduction and countable non-shelter expenses are subtracted from the countable monthly income to calculate the group's adjusted gross income. Subtracting the standard deduction (\$204) and

³ See BEM 212 for policies on determining group size for FAP benefits.

countable non-shelter expenses (\$0) from the group's countable income (\$■■■■) results in an adjusted gross income of \$■■■■

Petitioner's application reported \$■■■■ in housing costs: the same amount factored by MDHHS. Petitioner's application also reported having no utility obligations; nevertheless, MDHHS issued a standard telephone credit of \$■■■ (see RFT 255)/ Petitioner's total shelter expenses are \$■■■■

MDHHS only credits FAP benefit groups with an "excess shelter" expense. The expense is calculated by subtracting half of Petitioner's adjusted gross income from Petitioner's total shelter obligation. Petitioner's excess shelter expense is ■■■■

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 \$■■■■ in net income for Petitioner's group. A chart is used to determine the proper FAP benefit issuance.⁵ RFT 260 (October 2024) pp. 1-5. Based on Petitioner's group size and net income, Petitioner's proper FAP issuance for the month of application is \$■■■ and \$■■■ for a full month.⁶ MDHHS calculated the same amounts; thus, MDHHS properly determined Petitioner's FAP eligibility.

⁴ Petitioner testified her housing expenses have since greatly increased because of homelessness and paying for hotel rooms. MDHHS was advised to accept Petitioner's testimony as a reported change in housing costs while Petitioner was encouraged to submit verification of her updated housing costs.

⁵ FAP eligibility can also be calculated by multiplying the net income by 30% and subtracting the amount from the maximum FAP issuance for the group.

⁶ The proration occurred because Petitioner applied for FAP benefits on the 7th of May. Benefits are prorated for applications based on the application date and days in the application month (see BEM 554). Multiplying the benefit amount for a full month (\$■■■ by the number of days remaining in the month starting with the application dated (24) and dividing by the number of days in the month (30) results in a prorated benefit amount of \$■■■ (dropping cents).

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that Petitioner withdrew her dispute over MA benefits. Concerning Petitioner's dispute over MA benefits, Petitioner's hearing request is **DISMISSED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly terminated Petitioner's FAP eligibility beginning April 2025. It is also found that MDHHS properly determined Petitioner to be eligible for \$█ in FAP benefits prorated beginning May 7, 2025, and █ beginning June 2025. The actions taken by MDHHS are **AFFIRMED**.

Christian Gardocki

**CHRISTIAN GARDOCKI
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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Via First Class Mail:

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]