



**Date Mailed:** August 6, 2025

**Docket No.:** 25-025301

**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.

**Date Mailed:** August 6, 2025

**Docket No.:** 25-025301

**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 August 4, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Sunshine Simonson, Eligibility Specialist.

### **ISSUE**

Did MDHHS properly close Petitioner's Food Assistance Program (FAP) case due to excess net income?

### **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 was an ongoing recipient of FAP benefits for a group size of five, consisting of four minor children and herself.
2. Petitioner began to receive short-term disability and updated MDHHS regarding her income.
3. On June 16, 2025, MDHHS issued a Notice of Case Action to Petitioner informing her that her FAP case was closed due to excess net income, effective July 1, 2025 (Exhibit A, pp. 45-50).
4. On June 24, 2025, MDHHS received a timely submitted request for a hearing from Petitioner disputing the closure of her FAP case (Exhibit A, pp. 3-12).

### **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.

Upon updating Petitioner's case, MDHHS informed Petitioner that her FAP case was closed due to excess net income. Petitioner requested a hearing regarding the closure of her FAP case due to excess net income.

All FAP groups which contain a Senior, Disabled, or Disabled Veteran (S/D/V) group member, such as Petitioner's, must have income below the Net Income Limit. BEM 550 (April 2025), p. 1. Petitioner confirmed that her household is a group size of five and contains a S/D/V member. The Net Income Limit for a group size of five is \$3,049.00. RFT 250 (October 2024), p. 1. BEM 556 outlines the factors and calculations required to determine a client's net income. FAP net income factors group size, countable monthly income, and relevant monthly expenses. MDHHS presented documentation that listed the calculations used to determine Petitioner's FAP eligibility (see Exhibit A, p. 18). During the hearing, all relevant budget factors were discussed with Petitioner.

All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits. BEM 500 (April 2022), pp. 1-5. Petitioner receives short-term disability in the amount of \$ [REDACTED] monthly. Short or long-term disability payments are considered unearned income. MDHHS must calculate the gross amount of these payments as unearned income. BEM 503, p. 33. In Petitioner's case, MDHHS calculated the short-term disability that she receives as earned income and credited Petitioner with the earned income deduction. While this is not accordance with policy, crediting Petitioner with an earned income deduction ultimately benefits Petitioner.

Petitioner's household receives unearned income from RSDI, SSI, and SSP. RSDI is a federal benefit administered by the Social Security Administration that is available to retired and disabled individuals, their dependents, and survivors of deceased workers. SSI is a benefit administered by the Social Security Administration. SSI is a means-tested program that can be received based on age, disability or blindness. For an individual who lives in an independent living situation, State SSI Payments (SSP) are issued quarterly in the amount of \$ [REDACTED]. MDHHS counts the gross benefit amount of RSDI, SSI, and SSP as unearned income. BEM 503 (January 2025), pp. 29, 35, 36. MDHHS budgeted that Petitioner's household receives \$ [REDACTED] in monthly unearned income (see Exhibit A, pp. 19-20). MDHHS acted in accordance with policy in determining that Petitioner receives \$ [REDACTED] total in monthly unearned income.

MDHHS uses certain expenses to determine net income for FAP eligibility and benefit levels. For groups containing S/D/V members, such as Petitioner's, MDHHS considers:

25-025301

---

a standard deduction, childcare expenses, court-ordered child support and arrearages paid to non-household members, medical expenses above \$35 for each S/D/V group member(s), and an uncapped excess shelter expense. BEM 554 (January 2025) p. 1.

Petitioner's FAP benefit group size of five justifies a standard deduction of \$254.00. RFT 255 (October 2024), p. 1. MDHHS properly included the standard deduction in Petitioner's household budget.

A S/D/V group that has a verified one-time or ongoing medical expense(s) of more than \$35.00 for a S/D/V person(s) will receive the Standard Medical Deduction (SMD). The SMD is \$165.00. 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, p. 9. Petitioner did not submit for consideration out of pocket medical expenses. Petitioner was advised to submit medical expenses for MDHHS' consideration in the future.

Petitioner testified that she had reported that she pays childcare expenses to MDHHS. Petitioner did not provide verification of these payments. Petitioner was advised to submit these expenses for MDHHS' consideration in the future.

Petitioner testified that the household does not pay any child support. Therefore, MDHHS properly counted the group's non-shelter expenses to be \$254.00.

In determining Petitioner's excess shelter deduction, MDHHS considers housing expenses of: (i) basic shelter expenses such as rent, mortgage, a second mortgage, home equity loan, required condo or maintenance fees, lot rental or other payments including interest leading to ownership of the shelter occupied by the FAP group, property taxes, state and local assessments and insurance on the structure, and home repairs of a home which was substantially damaged or destroyed due to a natural disaster; (ii) the heat and utility (h/u) standard or individual utility standards; (iii) utility installation fees charged by the utility provider, excluding deposits; and (iv) well/septic installation and maintenance. BEM 554, pp. 13-25. Generally, the h/u credit covers all utility expenses and is the maximum credit available in the amount of \$664.00. BEM 503, p. 17; RFT 255, p. 1. A FAP group who is responsible for paying for an internet service (at least the basic service) is eligible for the internet standard. This expense is separate from any of the utility standards. BEM 554, p. 26; RFT 255, p. 1. In this case, Petitioner confirmed that she has monthly housing expenses of \$1,600.00 and pays for utilities and internet service, for a total shelter expense of \$936.00. MDHHS only credits FAP benefit groups with an "excess shelter" expense. The excess shelter expense in this case is \$186.00.

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 \$ [REDACTED] in net income for Petitioner's group. Petitioner's group size of five is subject to a net income limit

of \$3,049.00. RFT 250, p. 1. Since Petitioner's total household income exceeds the net income limit for FAP, MDHHS properly closed Petitioner's FAP case.

---

## 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 closed Petitioner's FAP case due to excess net income.

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



---

**DANIELLE NUCCIO**  
**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](https://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](mailto: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.

25-025301

**Via Electronic Mail:**

**Respondent**

WAYNE-GREENFIELD/JOY-DHHS  
8655 GREENFIELD RD  
DETROIT, MI 48228

**MDHHS-WAYNE-17-HEARINGS@MICHIGAN.GOV**

**Via First Class Mail:**

**Petitioner**

[REDACTED]  
[REDACTED] MI [REDACTED]

