



Date Mailed: October 14, 2025
Docket No.: 25-029037
Case No.: [REDACTED]
Petitioner: [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।

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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.: 25-029037

Case No.: [REDACTED]

Petitioner: [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 October 9, 2025. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Sunshine Simonson, specialist. Mohamed Fahmy of Linguistica International participated as an English-Arabic translator.

ISSUE

The issue is whether MDHHS properly terminated Petitioner's Family Independence Program (FIP) 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. As of May 2025, Petitioner was an ongoing FIP recipient of a five-person benefit group.
2. On June [REDACTED] 2025, Petitioner's assigned Michigan Works! Agency (MWA) reported to MDHHS that Petitioner was employed 35 hours per week for an hourly wage of \$[REDACTED] per hour as of May 15, 2025.
3. On June [REDACTED] 2025, MDHHS terminated Petitioner's FIP eligibility beginning August 2025 due to excess income.
4. On August 5, 2025, Petitioner requested a hearing to dispute the termination of FIP benefits.

CONCLUSIONS OF LAW

The FIP was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. MDHHS administers FIP pursuant to 45 CFR 233 to 45 CFR 261; MCL 400.10; the Social Welfare Act, MCL 400.1 *et seq.*; and Mich Admin Code, R 400.3101 to R 400.3131. FIP policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner timely requested a hearing to dispute a termination of FIP benefits. Exhibit A, pp. 3-5. A Notice of Case Action dated June ■ 2025, stated that Petitioner's FIP eligibility would end August 2025 due to excess income. Exhibit A, pp. 15-20.

Financial need must exist to receive FIP benefits. BEM 518 (July 2023) p. 1. Financial need exists when the certified group passes the Qualifying Deficit Test, Issuance Deficit Test and the Child Support Income Test. *Id.* The only relevant test in the present case is the Issuance Deficit Test.

To perform the Issuance Deficit Test, MDHHS subtracts budgetable income from the certified group's payment standard for the benefit month. *Id.*, p. 2. The group is ineligible for the benefit month if no deficit exists, or the group has a deficit less than \$10. *Id.* pp. 1-3. The payment standard is the maximum benefit amount that can be received by the group. BEM 515 (February 2024) p. 1.

For the Issuance Deficit Test budget, MDHHS compares budgetable income for the income month using the earned income disregard to the certified group's payment standard for the benefit month. BEM 518 (July 2023) p. 3. For starting income, MDHHS is to use the best available information to prospect income for the benefit month. BEM 505 (June 2025) p. 8. For weekly income, MDHHS is to convert stable and fluctuating income to a standard monthly amount by multiplying the average weekly income by 4.3. *Id.* For FIP benefits, MDHHS is to deduct \$200 from each person's countable earnings and then deduct an additional 50 percent of each person's remaining earnings. BEM 518 (July 2023) p. 5.

MDHHS received from MWA documentation on June ■ 2025, stating that Petitioner began working 35 hours per week for \$■ per hour beginning May 15, 2025. Exhibit A, pp. 11-12. Multiplying Petitioner's reported wage and hours results in weekly gross wages of \$■. Multiplying the weekly gross wages by 4.3 results in a converted gross monthly income of \$■ (dropping cents).¹ Applying the disregard of \$200 and 50% results in countable income of \$■ (rounding to nearest dollar).²

¹ \$■ matches the amount calculated by MDHHS. Exhibit A, p. 14.

² \$■ matches the amount calculated by MDHHS. Exhibit A, p. 10

Presumably, Petitioner's group size was five based on previous reportings.³ As the grantee of a five-person group, Petitioner's payment standard is \$822 RFT 210 (January 2025) p. 1. Petitioner's countable income exceeds the payment standard. Thus, MDHHS contended, Petitioner's FIP eligibility properly ended.

Petitioner testified that his expenses exceeded his income. Petitioner testified that he pays \$[REDACTED] for housing costs, along with utilities, car insurance, and other expenses. Petitioner's housing and utility costs are not factored when determining FIP eligibility.

Petitioner also testified that he has medical obstacles with his feet that contribute to fluctuating income. There was no evidence that Petitioner timely reported a change in employment to MDHHS. Without a reported change, MDHHS correctly determined Petitioner's income.⁴

Given the evidence, MDHHS properly determined that Petitioner was not eligible for FIP benefits due to excess income. Thus, MDHHS properly terminated Petitioner's FIP eligibility beginning August 2025.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly terminated Petitioner's FIP eligibility beginning August 2025. The actions taken by MDHHS are **AFFIRMED**.



CHRISTIAN GARDOCKI
ADMINISTRATIVE LAW JUDGE

³ See BEM 210 for FIP group composition policy. A group size of five is also consistent with Petitioner's FAP benefit group of five persons (see Exhibit A, p. 15).

⁴ Petitioner is encouraged to report any reduction in employment hours to MDHHS if his employment hours decreased. Petitioner should also be aware that a reduction in working hours may require a return to MWA participation (see BEM 230A).

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

WAYNE-GREENFIELD/JOY-DHHS
8655 GREENFIELD RD
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Via First Class Mail:

Petitioner

[REDACTED]
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[REDACTED]