

Date Mailed: October 30, 2025

Docket No.: 25-033496

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 29, 2025. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Karen Smalls, supervisor.

ISSUE

The issue is whether MDHHS properly determined Petitioner's Food Assistance Program (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 August 2025, Petitioner received ongoing FAP benefits as the only member of a benefit group and a benefit period certified through September 2025.
2. As of August 2025, Petitioner was a disabled individual receiving [REDACTED] in ongoing gross monthly Retirement, Survivors, Disability Insurance (RSDI)
3. As of August 2025, Petitioner reported to MDHHS receipt of gross monthly wages of [REDACTED]
4. As of August 2025, Petitioner had no more than \$200 in monthly medical expenses and no child support or dependent care expenses.
5. As of August 2025, Petitioner paid \$300 for monthly housing expenses and utility obligations not exceeding water and non-heat electricity.
6. On September 4, 2025, MDHHS approved Petitioner for \$24 in monthly FAP benefits beginning October 2025.

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7. On September 12, 2025, Petitioner verbally requested a hearing to dispute FAP eligibility.

CONCLUSIONS OF LAW

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 Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner verbally requested a hearing to dispute a reduction in FAP benefits.¹ Exhibit A, p. 3. A Notice of Case Action dated September 4, 2025, approved Petitioner for \$24 in FAP benefits beginning October 2025. Exhibit A, pp. 9-13

FAP benefit amounts are determined by a client's net income as calculated by MDHHS policy. BEM 556 outlines the factors and calculations required to determine a client's net income for purposes of FAP benefits. Net income is based on group size, countable monthly income, and relevant monthly expenses. MDHHS presented FAP budget documentation listing most FAP eligibility factors and calculations. Exhibit A, pp. 17-18. A budget summary from the approval notice also listed FAP budget factors. Exhibit A, p. 10. During the hearing, all relevant current budget factors were discussed with Petitioner.²

MDHHS factored a benefit group including only Petitioner. Petitioner did not dispute the FAP benefit group size of one person.³

It was not disputed that Petitioner received █████ in monthly gross RSDI. For FAP benefits, gross RSDI is countable. BEM 503 (January 2023) p. 29. MDHHS factored the same total unearned income of █████ in determining Petitioner's FAP eligibility.

It was also not disputed that Petitioner received gross monthly wages of █████ For FAP benefits, MDHHS generally counts gross wages.⁴ BEM 501 (January 2024) p. 7. MDHHS issues a 20% credit for timely reported employment income. Multiplying Petitioner's gross monthly wages by .8 results in countable wages of █████ (dropping

¹ Clients may verbally request hearings to dispute FAP benefits (see BAM 600).

² Past budget factors were briefly discussed to determine what changes may have contributed to the benefit reduction. Approximately █████ in less wages and a previously factored standard heating utility credit of \$664 were among the changes likely contributing the benefit reduction. The above analysis need not consider Petitioner's previous eligibility because a dispute over ongoing FAP eligibility does not factor past FAP eligibility.

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

⁴ Exceptions to using gross wages include the following: earned income tax credits, flexible benefits, striker earnings, student disregards, and census worker earnings. BEM 501 (July 2017), p. 7. None of these exceptions apply to the present case.

cents). Adding Petitioner's countable earned and unearned income results in a total countable income of █1,357.

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 factors the following expenses: shelter (housing and utilities) up to a capped amount, dependent care, and court-ordered child support including arrearages paid to non-household members. *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.*

MDHHS credited Petitioner with the SMD of \$200. Subtracting the standard copayment of \$35 results in countable medical expenses of \$165. Petitioner also did not allege having child support or dependent care expenses. Petitioner's group's non-shelter expenses totaled \$165.

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 countable non-shelter expenses (\$165) from the group's countable income █ results in an adjusted gross income of █.

MDHHS credited Petitioner with monthly housing expenses of \$300. Petitioner did not allege additional housing expenses.

MDHHS credited Petitioner with standard deductions for non-heat electricity (\$176) and water (\$115). RFT (October 2025) p. 1. Petitioner reported the same utility obligations on his redetermination form received by MDHHS on August 22, 2025. Exhibit A, pp. 4-8.

Petitioner testified that a portion of his rent went towards additional utilities. Petitioner's testimony implied that he should receive additional utility credits. Given the absence of evidence that Petitioner reported additional obligations to MDHHS, it cannot be concluded that MDHHS did not properly credit Petitioner for utility obligations. Further, payment of rent which may be subsequently paid towards utilities by a landlord, does not entitle a FAP benefit recipient to a budget credit for a utility obligation.⁵ The evidence established shelter credits totaling \$591

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 \$97.

⁵ See BEM 554 for policy concerning allowable FAP expenses.

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.⁶ RFT 260 (October 2025) pp. 1-5. Based on Petitioner's group size and net income, Petitioner's proper FAP issuance for October 2025 is \$24; the same amount calculated by MDHHS. Given the evidence, MDHHS properly determined Petitioner's FAP eligibility.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner to be eligible for \$24 in monthly FAP benefits beginning October 2025. The actions taken by MDHHS are **AFFIRMED**.


CHRISTIAN GARDOCKI
ADMINISTRATIVE LAW JUDGE

⁶ 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.

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.

