



Date Mailed: October 23, 2025
Docket No.: 25-033910
Case No.: [REDACTED]
Petitioner: [REDACTED]

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এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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Docket No.: 25-033910

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 October 13, 2025. Petitioner appeared for the hearing and represented herself. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Rosemary Molsbee-Smith, Eligibility Specialist.

ISSUE

Did the Department properly calculate the amount of Petitioner's Food Assistance Program (FAP) 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. Petitioner is an ongoing recipient of FAP benefits. Petitioner was previously approved for FAP benefits in the monthly amount of \$226.
2. On or around July 12, 2025, the Department sent Petitioner a Notice of Case Action advising that effective July 1, 2025, she was approved for FAP benefits of \$79 monthly. The reason for the decrease was that Petitioner's excess shelter deduction has changed. (Exhibit A, pp. 7-11)
3. On or around September 12, 2025, Petitioner requested a hearing disputing the amount of her FAP benefits.

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.

In this case, Petitioner disputed the decrease in her FAP benefits to \$79 effective August 1, 2025. The Department presented a FAP EDG Net Income Results Budget which was thoroughly reviewed to determine if the Department properly calculated the Petitioner's FAP benefits in the amount of \$79. (Exhibit A, pp. 16-18).

All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits and group composition policies specify whose income is countable. BEM 500 (April 2022), pp. 1 – 5. The Department considers the gross amount of money earned from RSDI/Social Security and SSI benefits in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (April 2024), p. 29-35. For an individual who lives in an independent living situation, State SSI Payments (SSP) are issued quarterly in the amount of [REDACTED] and the payments are issued in the final month of each quarter; see BEM 660. The Department will count the monthly SSP benefit amount [REDACTED] as unearned income. BEM 503, pp. 36-37; BEM 660 (October 2024), pp. 1-2; RFT 248 (January 2024), p. 1.

The budget reflects unearned income of [REDACTED] which consists of Petitioner's monthly RSDI/Social Security, SSI, and SSP benefits. Specifically, the Department testified that it considered [REDACTED] in RSDI/Social Security, [REDACTED] in SSI, and the [REDACTED] SSP benefit. Petitioner confirmed that the amounts relied upon by the Department were correct and thus, the Department properly calculated Petitioner's unearned income.

The deductions to income on the net income budget were also reviewed. Petitioner's FAP group includes a senior/disabled/veteran (SDV) member. BEM 550 (October 2024), pp. 1-2. Petitioner's FAP group is eligible for the following deductions to income:

- Dependent care expense.
- Excess shelter.
- Court ordered child support and arrearages paid to non-household members.
- Standard deduction based on group size.
- Medical expenses for the SDV member(s) that exceed \$35.
- An earned income deduction equal to 20% of any earned income.

BEM 554 (October 2024), p. 1; BEM 556 (October 2024), p. 1-8.

Petitioner's group did not have any earned income, thus, there was no applicable earned income deduction. There was no evidence presented that Petitioner had any out-of-pocket dependent care or child support expenses and therefore, the budget

25-033910

properly did not include any deduction for dependent care or child support. The budget also reflects a medical deduction of \$0. The Department asserted that no acceptable or allowable medical expenses were submitted for consideration. The Department reviewed Petitioner's electronic case file and testified that in May 2025, a document was submitted by Petitioner with a past due amount of \$240.69 but because the bill was undated and there was no service date identified, it could not be used. Petitioner testified that she has a medical bill of over \$200 but it was unclear whether this was submitted to the Department for consideration and when. Upon review, the Department properly determined that Petitioner was ineligible for a medical deduction. Petitioner was advised that should she submit medical expenses, the Department would process the allowable expenses and apply them to the medical deduction if applicable. The Department properly applied a standard deduction of \$204 which was based on Petitioner's confirmed group size of one. RFT 255 (October 2024), p. 1.

The excess shelter deduction is calculated by subtracting 50% of the adjusted gross income from the total shelter amount. The Department representative testified that Petitioner was previously eligible for an excess shelter deduction of \$579, as she previously qualified for the \$664 heat and utility standard, which covers all heat and utility costs including cooling expenses and is the maximum total utility and most beneficial standard available to the client. BEM 554, pp. 13-21; RFT 255, p.1. The Department representative testified that Petitioner was previously receiving the heat and utility standard based on her receipt of a home heating credit. See BEM 554, pp. 18-19. However, because the Department received information that Petitioner is no longer receiving the home heating credit, the \$664 heat and utility standard was removed from the calculation of the excess shelter deduction. The Department representative testified that the current August 2025 budget reflects an excess shelter deduction of \$89 and was calculated using Petitioner's confirmed housing expenses of \$313 in monthly rent, the \$115 water/sewer standard, the \$29 trash/garbage removal standard, and the \$30 internet standard. The Department testified that because Petitioner's rent includes the costs of her heat and electricity, she is not eligible for the heat and utility standard and is instead eligible for only the individual utility standards. See BEM 554, pp. 19-31.

The Department testified that Petitioner is potentially eligible for the heat and utility standard based on her use of an in-room air conditioner. Additionally, the Department representative present for the hearing testified that she was unsure why Bridges showed no home heating credit for Petitioner, as she is approved for Section 8 housing assistance and would possibly be eligible for the home heating credit. Thus, based on the testimony of the Department during the hearing, the Department failed to satisfy its burden of showing that it properly removed the heat and utility standard and in turn failed to show that it properly calculated the excess shelter deduction. As such, in recalculating the excess shelter deduction, the Department shall determine whether Petitioner is eligible for the heat and utility standard in accordance with the policy outlined in BEM 554, pp. 19-31.

After further review, although the Department properly calculated Petitioner's unearned income and properly considered the standard deduction, because of the errors identified above with respect to the calculation of the excess shelter deduction, the Department failed to establish that it properly calculated Petitioner's FAP benefits of \$79 effective August 1, 2025.

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 calculated Petitioner's FAP benefits effective August 1, 2025.

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. Recalculate Petitioner's FAP budget for August 1, 2025, ongoing;
2. Issue FAP supplements to Petitioner for any benefits she was eligible to receive but did not from August 1, 2025, ongoing, in accordance with Department policy; and
3. Notify Petitioner in writing of its decision.



ZAINAB A BAYDOUN
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
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