



Date Mailed: October 23, 2025
Docket No.: 25-033924
Case No.: [REDACTED]
Petitioner: [REDACTED]

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

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Date Mailed: October 23, 2025

Docket No.: 25-033924

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 Angela Ware, Eligibility Specialist.

ISSUE

Did the Department properly deny Petitioner's application for Food Assistance Program (FAP) and Medical Assistance (MA) 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 has a Power of Attorney Delegating Parent's Power Over Minor Child (POA) with respect to her second cousin, Child A (Female, [REDACTED] years old). (Exhibit A, pp. 14-19)
2. On or around July 4, 2025, Petitioner submitted an application for FAP and MA benefits. (Exhibit A, pp. 23-29)
 - a. On the application, Petitioner reported that she is employed with [REDACTED] an average of 40 hours per week and paid [REDACTED] two times per month. Petitioner reported that she is also self-employed earning [REDACTED] monthly with \$100 in expenses. Petitioner also reported that Child A has income from Retirement, Survivors, Disability, Insurance (RSDI) in the amount of [REDACTED] monthly. (Exhibit A, p. 27)
3. On or around August 1, 2025, the Department sent Petitioner a Notice of Case Action advising her that her FAP application was denied on the basis that the household income exceeded the income limit. (Exhibit A, pp. 33-37)
4. On or around August 1, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice advising that Child A was ineligible for MA benefits

because she is not blind, disabled, pregnant, parent/caretaker relative of a dependent child and does not meet age requirements. (Exhibit A, pp. 38-40)

5. On or around August 29, 2025, Petitioner requested a hearing disputing the Department's denial of FAP and MA benefits. Petitioner explained that she is Child A's first cousin once removed and the child was placed in her care in August 2024. Petitioner asserted in her request for hearing that she was granted POA in July 2025 and became aware that the child no longer had medical coverage and food assistance. Petitioner asserted that she is not financially responsible for Child A and argued that her income should not be taken into consideration when determining Child A's eligibility for benefits. (Exhibit A, pp. 3-5)

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).

MA

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-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-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

Petitioner requested a hearing disputing the Department's denial of MA benefits for Child A, effective July 1, 2025. At the hearing, the Department representative testified that on or around August 1, 2025, a Health Care Coverage Determination Notice was issued, advising that Child A was ineligible for MA benefits effective July 1, 2025. The Department representative testified that after receiving Petitioner's request for hearing, it was determined that the application was denied in error and reprocessing was necessary. The Department representative testified that a help-desk ticket was issued to assist in the reprocessing; however, as of the hearing date, the help-desk ticket had not been resolved and the application had not been reprocessed. Thus, based on the Department's testimony during the hearing, it was established that the MA application was improperly processed and denied. The Department will be ordered to reprocess the MA application and determine Child A's MA eligibility from July 1, 2025, ongoing.

FAP

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

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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 requested a hearing to dispute the Department's denial of the July 4, 2025, FAP application. The Department representative testified that on August 1, 2025, a Notice of Case Action was issued, denying FAP benefits for Petitioner and Child A because the household income exceeded the limit for their group size. Petitioner asserted that she only sought FAP benefits for Child A and that neither she nor her earnings should be included in the FAP group.

The Department will determine who must be included in the FAP group prior to evaluating the non-financial and financial eligibility factors. BEM 212 (June 2025), p.1. FAP group composition is established by determining all of the following: who lives together, the relationships of the people who live together, whether the people living together purchase and prepare food together or separately, and whether the person(s) reside in an eligible living situation. BEM 212, p.1. The relationships of people who live together affects whether they must be included or excluded from the group. If they are not mandatory group members, the Department will then determine if they purchase and prepare food together or separately. BEM 212, p.1. A caretaker is a related or unrelated person who provides care or supervision to a child under 18 who lives with the caretaker but who is not a natural, step, or adopted child. This policy does not apply to foster children. A person acting as a parent and the child for whom they act as a parent who live with them must be in the same group. BEM 212, pp. 1-2.

Although Petitioner testified that she and Child A do not eat the same foods, as Child A's food preferences are different than hers, the testimony of Petitioner suggested that they purchase, prepare, and eat meals together. Additionally, there was no evidence that Child A pays room rent or purchases and prepares her own food. Thus, based on the policy outlined above from BEM 212, as well as a review of the POA documents, Petitioner and Child A are mandatory group members for FAP purposes. Thus, Petitioner's income is countable towards the FAP group's eligibility.

In order to be eligible for FAP benefits, FAP groups must have income below the applicable gross and/or net income limits based on their group size. There was no evidence that Petitioner's household includes a senior/disabled/veteran (SDV) member. Thus, Petitioner is subject to both the gross income and the net income test. BEM 213 (October 2024); BEM 212 (October 2024); BEM 550 (October 2024); RFT 250 (October 2024). According to the Notice of Case Action issued on August 1, 2025, the Department applied a gross income limit for Petitioner's two person group size of [REDACTED] RFT 250, p. 1. However, FAP applicants and recipients are eligible for enhanced authorization for Domestic Violence Prevention Services (DVPS), and the monthly categorical income limit (200% of the poverty level), from RFT 250, column D, applies as the standard for FAP gross income eligibility. BEM 213 (July 2014), pp. 1-2. For a two-person FAP group, the applicable 200% gross income limit is [REDACTED]

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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. An employee's wages include salaries, tips, commissions, bonuses, severance pay, and flexible benefit funds not used to purchase insurance. The Department counts gross wages in the calculation of earned income. BEM 501 (January 2024), pp. 6-7. The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Prospective income is income not yet received but expected. BEM 505 (October 2023), pp. 1-2. In prospecting income, the Department is required to use income from the past 30 days if it appears to accurately reflect what is expected to be received in the benefit month, discarding any pay if it is unusual and does not reflect the normal, expected pay amounts. BEM 505, pp. 5-6. A standard monthly amount must be determined for each income source used in the budget. BEM 505, pp. 7-8. Income received biweekly is converted to a standard amount by multiplying the average of the biweekly pay amounts by the 2.15 multiplier. BEM 505, pp. 7-9. The Department considers the gross amount of money earned from RSDI/Social Security benefits in the calculation of unearned income for purposes of FAP budgeting. BEM 503 (April 2024), p. 29-35.

The August 1, 2025, Notice of Case Action indicates that the Department determined Petitioner's household had monthly income of [REDACTED] however, the FAP Budget presented for review by the Department indicates that Petitioner's household had monthly earned income of [REDACTED] (Exhibit A, pp. 33-36; 41). Notwithstanding this discrepancy, Petitioner confirmed that she is paid biweekly at her full-time employment and that she received a paycheck of [REDACTED] on June 19, 2025; [REDACTED] on July 3, 2025; and [REDACTED] on July 17, 2025. Petitioner confirmed that her employment is ongoing. Upon review, when converted to a standard monthly amount, Petitioner's earned income from employment totals [REDACTED] Petitioner also confirmed that she has monthly self-employment income of around [REDACTED] although this is irregular. With respect to the unearned income, Petitioner confirmed that Child A receives [REDACTED] in monthly RSDI as a survivor benefit. Therefore, based on Petitioner's earned income of [REDACTED] and Child A's unearned income of [REDACTED] the household's gross income of [REDACTED] is in excess of the income limit for their two person FAP group size and thus, the Department properly denied the FAP application.

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 denied the FAP application due to excess income but did not act in accordance with Department policy when it processed and denied Child A's MA benefits for July 1, 2025, ongoing.

Accordingly, the Department's decision is **AFFIRMED IN PART** with respect to FAP and **REVERSED IN PART** with respect to MA.

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. Register and reprocess the July 4, 2025, MA application to redetermine Child A's MA eligibility under the most beneficial category for July 1, 2025, ongoing;
2. Provide MA coverage to Child A under the most beneficial category that she was entitled to receive but did not from July 1, 2025, ongoing; 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 Electronic Mail:

Respondent

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Via First Class Mail:

Petitioner

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