



**Date Mailed:** November 13, 2025  
**Docket No.:** 25-035407  
**Case No.:** [REDACTED]  
**Petitioner:** [REDACTED]

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

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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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**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; 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 hearing was held by telephone on November 6, 2025. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Melissa Williams, Eligibility Specialist.

### **ISSUE**

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefit amount?

### **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 for a household of two. She is [REDACTED] years old, disabled, has Medicare coverage, and has household income from Retirement, Survivors, and Disability Insurance (RSDI) plus irregular child support. (Exhibit A, pp. 7, 9).
1. On August 25, 2025, the Department received a completed redetermination application for FAP from Petitioner. Petitioner reported multiple expenses, including Medicare Part B premiums and medical expenses in frequencies ranging from weekly to annual. Petitioner also wrote that she has "ongoing, regular monthly medical expenses" from multiple medical providers. (Exhibit A, pp. 6 – 10).
2. On September 5, 2025, the Department sent Petitioner a Verification Checklist (VCL) that requested verification of her RSDI and other income, and no other verifications. (Exhibit A, pp. 11 – 12).
3. On September 17, 2025, the Department sent Petitioner a Notice of Case Action (NOCA) that approved her for FAP benefits of \$179 per month for a two-person FAP group effective October 1, 2025. The NOCA indicated that the Department

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had budgeted \$165 per month for Petitioner's medical expenses in calculation of her FAP benefit eligibility. (Exhibit A, pp. 124 – 125).

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4. On September 26, 2025, the Department received a request for hearing from Petitioner disputing the amount of her FAP benefits, including her budgeted medical expenses. (Exhibit A, pp. 3 – 5).
5. On October 2, 2025, the Department sent Petitioner a NOCA that increased her FAP benefits to \$193 per month for a two-person FAP group effective November 1, 2025. The NOCA indicated that the Department had budgeted \$196 per month for Petitioner's medical expenses in calculation of her FAP benefit eligibility. (Exhibit A, pp. 131 – 132).

### **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.

Petitioner requested a hearing to dispute the amount of her monthly FAP benefit, including the Department's failure to budget her reported medical expenses. On September 17, 2025, the Department approved Petitioner for FAP benefits of \$179 per month for a two-person FAP group effective October 1, 2025, based in part on \$165 per month in medical expenses.

To determine whether the Department properly calculated Petitioner's FAP benefit amount, the Department begins with the client's countable earned and unearned income available to Petitioner. BEM 500 (April 2022), pp. 1 – 5. For child support and RSDI income, the Department counts the gross benefit amount as unearned income. BEM 503 (October 2025), pp. 6 – 10, 31 – 33. Here, the evidence established that the Department budgeted \$ [REDACTED] in unearned income for Petitioner, and Petitioner did not dispute that amount.

After countable income is calculated, the Department must determine which deductions are available to Petitioner. Specific and limited deductions are permitted, depending on the source of countable income and the group's composition. Because Petitioner is disabled, she is considered a senior/disabled/veteran (SDV) household. BEM 550 (April

25-035407

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2025), p. 1. Households with SDV members with unearned income may be eligible for the following deductions only:

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- Standard deduction based on group size.
- Dependent care expense.
- Medical expense deduction for medical expenses of the SDV member in excess of \$35.
- Court ordered child support and arrearages paid to non-household members.
- Excess shelter deduction.

BEM 554 (October 2025) p. 1; BEM 556 (October 2025) pp. 3 – 6.

Here, the Department introduced two NOCAs, one effective October 1, 2025, the other effective November 1, 2025, and both include budget summaries. (Exhibit A, pp. 125, 132). Petitioner confirmed that she does not have any dependent care or court ordered child support expenses and no deductions for either of those expenses are reflected on the budgets. Additionally, there was no dispute that Petitioner was entitled to, and received, a \$209 standard deduction from her countable income based on her two-person FAP group size. BEM 550, p. 1; RFT 255 (October 2025).

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 a standard medical deduction of \$165; however, 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, pp. 9 – 13. The Department is to allow the non-reimbursable portion of a medical expense when verification of the portion paid, or to be paid by insurance, Medicare, Medicaid, etc. is provided, and the medical bill is a) currently incurred (for example, in the same month, ongoing, etc.), b) currently billed (client is receiving the bill for the first time for a medical expense provided earlier and the bill is not overdue, or c) the client made a payment arrangement before the medical bill became overdue. BEM 554, p. 13.

The Department must verify reported changes in the source or amount of medical expenses if the change would result in an increase in benefits; and to obtain verifications, the Department must tell the client what verification is required, how to obtain it, and the due date. BEM 554, pp. 13 – 14; BAM 130 (May 2024), p. 3. Acceptable verification sources for medical expenses include, but are not limited to:

- Current bills or written statement from the provider, which show all amounts paid by, or to be paid by, insurance, Medicare, or Medicaid,
- Insurance, Medicare, or Medicaid statements which show charges incurred and the amount paid, or to be paid, by the insurer,
- DHS-54A, Medical Needs, completed by a licensed health care professional.

25-035407

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- SOLQ for Medicare premiums,
  - Written statements from licensed health care professionals, and
  - Collateral contact with the provider. (Most commonly used to determine cost of dog food, over-the-counter medication and health-related supplies, and ongoing medical transportation).

BEM 554, p. 14.

Here, there was no dispute that:

- a) Petitioner pays Part B Medicare insurance premiums,
- b) Between October 10, 2024 and August 25, 2025, Petitioner submitted numerous medical bills, billing documents, and letters from her providers regarding ongoing treatment and out of pocket expenses to the Department multiple times. (Exhibit A, pp. 1, 15 – 123),
- c) The Department budgeted only Petitioner's Medicare Part B premium of \$185 per month when it determined her medical expense deduction and issued the September 17, 2025 NOCA, and
- d) The Department budgeted Petitioner's Medicare Part B premium of \$185 per month plus \$45.94 when it determined her medical expense deduction and issued the October 2, 2025 NOCA.

However, Petitioner credibly testified, and the evidence established that she has regular, ongoing, uninsured medical expenses. Petitioner also credibly testified that she has had multiple conversations with the Department and explained her medical situation, ongoing needs, and the billing information available to her. A review of the medical bills, billing documents, and letters from her providers introduced into evidence further substantiated Petitioner's testimony.

The Department explained that when it issued the September 17, 2025 NOCA, it did not budget any medical expenses beyond her Medicare Part B premium because the bills Petitioner provided were not timely and/or did not include all the required information to be considered. However, there was no evidence or testimony that the Department informed Petitioner of any deficiencies in what she had provided, sent Petitioner a VCL requesting additional information, or otherwise assisted Petitioner in obtaining the verification. BAM 130, pp. 3 – 4; BEM 554, p. 14. Therefore, the Department failed to establish that it acted in accordance with Department policy when it determined Petitioner's medical expense deduction, and her monthly FAP benefit amount, effective October 1, 2025.

25-035407

It is noted that after Petitioner requested a hearing, the Department did increase Petitioner's medical expense deduction to \$196 per month effective November 1, 2025. The Department testified that it added \$45.94 in medical expenses to Petitioner's Medicare Part B premium amount to recalculate the medical expense deduction. However, the Department was unable to explain which medical bills and expenses it included, or excluded, in its calculation and there was no evidence that the Department received new information regarding Petitioner's medical expenses after the September 17, 2025 NOCA. Additionally, the Department did not clearly explain why the increase was effective November 1, 2025. Therefore, the Department also failed to establish that it acted in accordance with Department policy when it determined Petitioner's medical expense deduction, and her monthly FAP benefit amount, effective November 1, 2025.

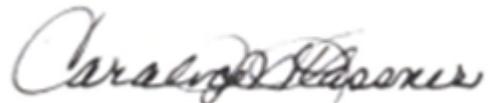
### **DECISION AND ORDER**

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 determined Petitioner's FAP benefit amount effective October 1, 2025 ongoing.

Accordingly, the Department's FAP decision is **REVERSED**.

TO THE EXTENT IT HAS NOT ALREADY DONE SO, 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. Redetermine Petitioner's FAP eligibility effective October 1, 2025 ongoing, requesting additional verifications and assisting Petitioner if necessary;
1. If Petitioner is eligible for any supplemental FAP benefits, issue supplemental payments to Petitioner for any FAP benefits she was eligible to receive but did not, effective October 1, 2025 ongoing; and
2. Notify Petitioner of its decision in writing.



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**CARALYCE M. LASSNER**  
**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](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.



**Via Electronic Mail:**

**Respondent**

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**Via First Class Mail:**

**Petitioner**

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