

**Date Mailed:** December 4, 2025

**Docket No.:** 25-040560

**Case No.:** [REDACTED]

**Petitioner:** [REDACTED]

### **HEARING DECISION**

On October 23, 2025, Petitioner [REDACTED] requested a hearing to dispute a Food Assistance Program (FAP) and Medical Assistance (MA) determination. As a result, a hearing was scheduled to be held on December 3, 2025, pursuant to MCL 400.9; 42 CFR 431.200 to 431.250; and Mich Admin Code, R 792.11002. Petitioner appeared at the hearing. [REDACTED] Petitioner's Authorized Hearing Representative, appeared on behalf of Petitioner. Jeffrey Malett, Assistance Payments Supervisor, Michigan Department of Health and Human Services (Department).

### **ISSUES**

Did the Department properly determine Petitioner's MA eligibility from October 1, 2025, to October 31, 2025?

Did the Department properly determine Petitioner's FAP eligibility from October 1, 2025, to October 31, 2025?

### **FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On August 11, 2025, Petitioner submitted a redetermination.
2. Prior to the September 8, 2025, redetermination interview, the Department reviewed Petitioner's case and found regular cash deposits on Petitioner's credit union statements that were not reported on Petitioner's August 11, 2025, redetermination.
3. On September 8, 2025, Petitioner completed an interview with the Department and reported receiving regular cash deposits of [REDACTED] from [REDACTED] to assist with mortgage and home insurance expenses and that Petitioner expected the income to continue. In response, Petitioner was advised by the Department that the income is countable income.
4. On September 12, 2025, a notice of case action was mailed to Petitioner to notify Petitioner that Petitioner was approved for \$24.00 per month in FAP benefits from October 1, 2025, to September 30, 2026.

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5. On September 12, 2025, a health care coverage determination was mailed to notify Petitioner that Petitioner was ineligible for Medicare Savings Program coverage because Petitioner's income exceeded the income limit, and Petitioner was determined eligible for Plan First Medicaid coverage effective October 1, 2025.
  6. At the hearing, the Department representative indicated that Petitioner was approved for Group 2 MA with a spenddown of \$1,813.00 effective October 1, 2025.
  7. On October 23, 2025, Petitioner requested a hearing to dispute the Department's MA and FAP eligibility determinations.
  8. On October 23, 2025, Petitioner provided a letter from [REDACTED] stating that he would no longer be giving Petitioner money to assist with mortgage and home insurance expenses.
  9. On October 27, 2025, a notice of case action was mailed to Petitioner to notify Petitioner that Petitioner was approved for \$298.00 per month in FAP benefits from November 1, 2025, to September 30, 2026.
  10. On October 27, 2025, a health care coverage determination was mailed to notify Petitioner that Petitioner was eligible for full coverage MSP-QMB coverage effective November 1, 2025.

### **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 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 administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

At the hearing, Petitioner indicated that Petitioner disputes the Department's denial of full coverage MSP from October 1, 2025, to October 31, 2025. Petitioner indicated that Petitioner was unclear as to why the Department determined that Petitioner was ineligible for full coverage MSP.

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Persons may qualify for MA under more than one category. Federal law requires them the right to the most beneficial category or the one that results in eligibility with the least amount of excess income or the lowest cost share. The Department failed to show how Petitioner's income was budgeted and failed to meet its burden of going forward and establishing that Petitioner and Petitioner's husband were not eligible for MA under a more beneficial category.

## **FAP**

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. 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.

The Department uses countable income to determine eligibility and benefit levels. Income remaining after applying the policy in the income related items is called countable. For FAP purposes, all earned and unearned income available to an applicant or recipient is countable. The Department uses gross income when determining countable income. Gross income is the amount of income before any deductions such as taxes or garnishments, and the amount counted may be more than the client actually receives. BEM 500 (April 1, 2022), p. 1.

In this case, the Department determined that Petitioner is eligible for \$24.00 in FAP benefits from October 1, 2025, to October 31, 2025. Petitioner refuted the Department's calculation of Petitioner's FAP benefit amount specifically because the Department's determination was unclear as to how Petitioner's FAP budget was calculated.

At the hearing, the Department failed to include a FAP budget beginning October 1, 2025. Because the Department submitted incomplete documentation the Department failed to show they properly calculated Petitioner's budget when making its eligibility determination for FAP benefits from October 1, 2025, to October 31, 2025. Accordingly, the Department failed to meet its burden of going forward and establishing that it properly determined Petitioner's eligibility for FAP benefits from October 1, 2025, to October 31, 2025.

## **DECISION AND ORDER**

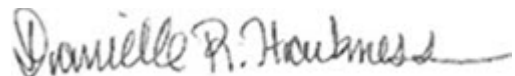
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, find that the Department did not satisfy its burden of showing that it acted in accordance with Department policy when it determined Petitioner's eligibility for FAP and MA from October 1, 2025, to October 31, 2025.

**IT IS ORDERED**, the Department's decision is **REVERSED** with respect to the Department's determination that Petitioner is ineligible for full coverage MSP from

October 1, 2025, to October 31, 2025, and the Department's determination that Petitioner is eligible for \$24.00 in FAP benefits from October 1, 2025, to October 31, 2025.

THE DEPARTMENT IS ORDERED TO INITIATE THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE THE ORDER WAS ISSUED:

1. Re-determine Petitioner's eligibility for MA benefits from October 1, 2025, to October 31, 2025, in accordance with Department policy.
2. Re-determine Petitioner's eligibility for FAP benefits from October 1, 2025, to October 31, 2025, in accordance with Department policy.



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**DANIELLE R. HARKNESS**  
**ADMINISTRATIVE LAW JUDGE**

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**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](http://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**  
GRATIOT COUNTY DHHS  
201 COMMERCE DR  
ITHACA, MI 48847  
**MDHHS-GRATIOT-  
HEARINGS@MICHIGAN.GOV**

**Via First Class Mail:**

**Petitioner**

[REDACTED]  
[REDACTED] MI [REDACTED]