



Date Mailed: January 23, 2026
Docket No.: 25-042935
Case No.: [REDACTED]
Petitioner: [REDACTED]

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

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Docket No.: 25-042935

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 teleconference on January 20, 2026. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Rebecca Ridley, Hearing Coordinator.

ISSUE

Did the Department properly determine Petitioner's Food Assistance Program (FAP) benefit amount effective July 1, 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. Petitioner is a [REDACTED]-year-old single individual. (Exhibit A, pp. 10).
1. As of June 2025, Petitioner was an ongoing recipient of FAP benefits in the amount of \$292 per month, for the certification period of December 11, 2024 to November 30, 2026, based on:
 - a. \$[REDACTED] in unearned Retirement, Survivors, and Disability Insurance (RSDI) income,
 - b. A standard deduction of \$204,
 - c. A medical expense deduction of \$165,
 - d. \$450 for rent/mortgage, and
 - e. \$664 for heat and other utilities.

(Exhibit A, pp. 36 – 40).

2. On June 11, 2025, Petitioner reported to the Department that he was getting divorced and had moved out of his residence. (Exhibit A, p. 49, Serial No. 71).

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3. On July 18, 2025, the Department decreased Petitioner's FAP benefits. (Exhibit A, p. 49, Serial No. 72).
 4. On August 6, 2025, Petitioner contacted the Department regarding his FAP benefit amount and the Department issued a FAP supplement to Petitioner in the amount of \$284 for the period of August 1 to August 31, 2025. (Exhibit A, p. 49, Serial No. 73).
 5. On October 25, 2025, the Department received a completed application for State Emergency Relief (SER) from Petitioner. Petitioner reported that he received Supplemental Security Income (SSI) of \$[REDACTED] per month and had no other income. Petitioner also reported that he paid: a) \$400 per month for rent/mortgage, b) heat and other utilities, and c) \$100 per month for health insurance premiums. (Exhibit A, pp. 9 – 14).
 6. On October 27, 2025, the Department obtained a Consolidated Income Inquiry (CI) that reflected that since at least July 1, 2025, Petitioner had received court ordered direct spousal support (spousal support) of \$535 per month. (Exhibit A, pp. 15 – 16).
 7. On October 27, 2025, the Department sent Petitioner a Notice of Case Action (NOCA) that approved him for FAP benefits, as a simplified reporter (SR), of \$23 per month from July 1 to September 30, 2025, and \$24 per month from October 1, 2025 to September 30, 2026, for a one-person FAP group. The NOCA reflected that Petitioner's benefits were based on:
 - a. \$[REDACTED] in unearned income,
 - b. A standard deduction of \$209,
 - c. \$0 for medical expenses,
 - d. \$400 for rent/mortgage, and
 - e. \$682 for heat and other utilities.(Exhibit A, pp. 17 – 18).
 8. On November 13, 2025, the Department received a request for hearing from Petitioner, disputing the decrease in the amount of his monthly FAP benefit. (Exhibit A, pp. 3 – 6; p. 47, Serial No. 95).
 9. On November 25, 2025, the Department sent Petitioner a NOCA that continued his FAP benefits of \$24 per month from November 1, 2025 to September 30, 2026, for a one-person FAP group based on:
 - a. \$[REDACTED] in unearned income,

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- b. A standard deduction of \$209,
- c. \$0 for medical expenses,
- d. \$400 for rent/mortgage, and
- e. \$682 for heat and other utilities.

The NOCA informed Petitioner that he remained a SR. (Exhibit A, pp. 29 – 30).

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 a decrease in the amount of his monthly FAP benefits. Petitioner was an ongoing recipient of FAP benefits of \$292 per month. On October 27, 2025, the Department sent Petitioner a NOCA that decreased his FAP benefits to \$23 per month from July 1 to September 30, 2025, and \$24 per month effective October 1, 2025, based on an increase in Petitioner's budgeted unearned income.

To determine whether the Department properly calculated Petitioner's FAP benefit amount, the Department begins with the client's countable earned and unearned income. BEM 500 (April 2022), pp. 1 – 5. The Department must complete a FAP income budget when either: a) it is made aware of, or the client reports, a change in income that will affect eligibility or benefit level; or b) a reported change results in the need to convert income to or from a standard monthly amount. BEM 500, p. 10. For purposes of FAP, the gross amounts of RSDI income and spousal support are countable unearned income. BEM 503 (October 2025), pp. 31 – 33, 35; 7 CFR 273.9(b)(2)(iii).

In this case, there was no dispute that Petitioner began receiving regular spousal support payments in July 2025, and that his total monthly income from RSDI and spousal support was \$ [REDACTED].

After countable income is calculated, the Department must determine which deductions are available to Petitioner. There was no dispute that Petitioner is disabled and considered a senior/disabled/veteran (SDV) household. BEM 550 (April 2025), pp. 1 – 2. Households with SDV members with unearned income may be eligible for the following deductions only:

- 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; RFT 255 (October 2025).

The medical expense deduction for SDV clients is based on a) verified allowable medical expenses, b) available information about the client's medical condition and health insurance, and c) reasonably anticipated changes. BEM 554, pp. 10 – 11. SDV clients who have one-time or ongoing medical expenses of more than \$35 receive a standard medical deduction (SMD) of \$165. BEM 554, p. 10. However, if the client has actual medical expenses which are more than the SMD, the client has the option of verifying their actual expenses instead of receiving the SMD. BEM 554, pp. 10, 13 – 14. To obtain verification, the Department must tell the client what verification is required, how to obtain it, and the due date. BAM 130 (May 2024), p. 3; see also BEM 554, p. 14.

The Department introduced a budget to show how it determined Petitioner's FAP benefit amount effective October 1, 2025. (Exhibit A, pp. 41 – 43). There was no dispute that Petitioner was entitled to a standard deduction of \$209 based on his one-person FAP group. Petitioner testified that he does not have any dependent care expenses or child support obligations and confirmed that the Department is currently paying his Medicare Part B premium on his behalf. Petitioner further testified that although he has past medical bills and expects to have medical bills in the future, he does not currently have medical expenses in excess of \$35 per month. Thus, the budget properly reflected that Petitioner received only a \$209 standard deduction from his countable income based on his one-person FAP group size. BEM 550, p. 1; RFT 255.

Next, the Department determines any excess shelter expense deduction. To start, the Department first calculates Petitioner's adjusted gross income (AGI) by subtracting the allowable deductions outlined above from the countable income. Based on Petitioner's countable income of \$[REDACTED] and standard deduction of \$209, his AGI was \$[REDACTED].

To complete the excess shelter deduction calculation, the Department reviewed Petitioner's housing and utility expenses. Effective October 1, 2025, when a FAP group has or contributes to payment for heating and other utility expenses, separate from the mortgage or rent payment, it is entitled to a heat and utility (h/u) standard amount of \$682 to be included in the calculation of the excess shelter deduction. BEM 554, p. 19; RFT 255. This is the highest amount available to FAP groups who pay utilities and the group is not entitled to individual utility expenses in the calculation of the deduction. BEM 554, p. 19. Once Petitioner's housing and utility expenses have been determined, the Department must add those amounts together for a total shelter amount. BEM 556, pp. 5 – 6. From the total, the Department subtracts 50% of Petitioner's AGI and the amount remaining is the excess shelter deduction. BEM 556, p. 6. The excess shelter deduction is subtracted from the client's total AGI to determine net income. BEM 556, p. 6.

Here, there was no dispute that Petitioner has a housing expense of \$400 per month and pays for heat and other utilities. The Department properly determined that the total of Petitioner's monthly housing of \$400 and the h/u standard of \$682 was \$1,082. (Exhibit A, p. 43). When 50% of Petitioner's \$[REDACTED] AGI, in the amount of \$711, was subtracted from the total shelter amount of \$1,082, Petitioner's excess shelter deduction was \$371. When Petitioner's excess shelter deduction of \$371 was subtracted from his AGI of \$[REDACTED], Petitioner's net income was \$[REDACTED].

Once the net monthly income has been determined under the FAP program, the Department determines what benefit amount Petitioner is entitled to, based on the group size, according to the Food Assistance Issuance Table found in RFT 260. Based on:

- a. The Food Assistance Issuance Table that became effective October 1, 2025;
- b. Petitioner's one-person FAP group size and his:
 - i. Increased unearned income and his household expenses, and
 - ii. Net income of \$[REDACTED];

the Department properly determined that Petitioner was eligible for decreased FAP benefits in the amount of \$24. RFT 260 (October 2025), p. 15.

The Department also introduced a budget to show how it determined Petitioner's FAP benefit amount effective July 1, 2025. (Exhibit A, pp. 36 – 40).

However, a decrease in FAP benefits is a negative action, and the Department must provide the client with timely notice except under specific circumstances identified by policy that specify when adequate notice or no notice is required. BAM 220 (October 2025), pp. 5, 12. When a client's income increases and results in a benefit decrease, the effective month of the benefit decrease is the first full month that begins after the

negative action effective date and timely notice must be mailed to the client at least 11 days before the intended negative action takes effect and the action is pended to provide the client an opportunity to react to the proposed action. BAM 220, pp. 5, 9 – 10; BEM 505, p. 12. Department policy regarding income changes does not contemplate retroactive reduction of FAP benefits. BAM 105, BAM 200, BAM 220, BEM 505.

Here, the record established that on October 27, 2025, the Department determined Petitioner was receiving spousal support income and informed Petitioner that his FAP benefits were reduced to \$23 from July 1 to September 30, 2025, and to \$24 effective October 1, 2025. The Department explained that the reduction was based on an increase in his budgetable income due to his receipt of spousal support payments; and that the decrease was effective July 1, 2025, because Petitioner had failed to report his receipt of the spousal support payments. However, Petitioner disputed that he failed to report his spousal support income. Moreover, the record did not establish that Petitioner was a change reporter and required to report when he began to receive spousal support payments, or that his income exceeded the SR limit for a one-person FAP group on or after July 1, 2025. BAM 105 (June 2025), p. 10; BAM 200 (June 2025), p. 1; RFT 250 (October 2024, October 2025).

Therefore, although the Department properly determined that based on Petitioner's increased unearned income and applicable deductions and adjustments, he was no longer eligible for FAP benefits of \$292 per month once his spousal support income was budgeted, it failed to establish that it acted in accordance with Department policy when it determined the effective date of the change was July 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 the effective date of Petitioner's decreased FAP benefits was July 1, 2025.

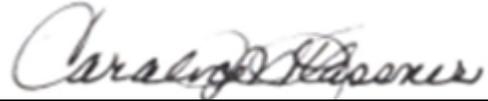
Accordingly, the Department's decision is **REVERSED as to the effective date of the decrease in Petitioner's FAP benefits only.**

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 the effective date of the decrease in Petitioner's FAP benefits in accordance with Department policy regarding timely notice;

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1. If Petitioner is eligible for additional FAP benefits, issue supplemental payments to Petitioner for any FAP benefits he was eligible to receive but did not, from July 1, 2025 ongoing; and
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2. Notify Petitioner of its decision in writing.



CARALYCE M. LASSNER
ADMINISTRATIVE LAW JUDGE

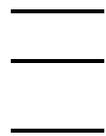
APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative 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, **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.

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Via Electronic Mail:

Respondent

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Petitioner

[REDACTED]
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