

Date Mailed: February 13, 2026

Docket No.: 26-001855

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 February 10, 2026. Petitioner [REDACTED] appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Brian Hines, Assistance Payment Supervisor.

ISSUE

Did the Department properly determine Petitioner's Food Assistance Program (FAP) eligibility for September 2025 ongoing?

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 was an ongoing FAP recipient receiving benefits for himself and his two adult children who lived with him, [REDACTED] (RZ) and [REDACTED] (BZ).
2. Petitioner received monthly Retirement, Survivors and Disability Insurance (RSDI) benefits of [REDACTED] in 2025 and [REDACTED] in 2026.
3. BZ was employed and was the only household member receiving employment income.
4. On September 18, 2025, Petitioner submitted a FAP application (Exhibit A, pp. 8-15) reporting a decrease in BZ's employment income. (Exhibit A, pp. 12, 13)
5. In response to verification requests, Petitioner submitted the following paystubs to MDHHS showing BZ's gross biweekly income from employment as follows:
 - a. [REDACTED] for a payment date of August 12, 2025;
 - b. [REDACTED] for a payment date of August 26, 2025;
 - c. [REDACTED] for a payment date of October 7, 2025; and

d. ██████ for a payment date of October 21, 2025.

(Exhibit A, pp. 16-19, 38-39)

6. On November 25, 2025, Petitioner reported that he purchased and prepared separately from RZ, who was 23 years old at the time, and BZ, who was 22 years old at the time.
7. MDHHS issued the following FAP benefits to Petitioner: \$76 in September 2025 and \$86 in October, November and December 2025 for a three-person FAP group and \$170 for January 2026 ongoing for a single-person FAP group.
8. On January 5, 2026, MDHHS received Petitioner's hearing request, disputing his FAP benefit amount for September 2025 ongoing.

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 disputed the calculation of his FAP benefits, arguing that his benefits should have been greater starting in September 2025 after he reported a decrease in BZ's employment income and then reported that he did not purchase and prepare food with BZ and RZ.

On September 18, 2025, Petitioner submitted a FAP application to MDHHS reporting that BZ's employment income had decreased. Because Petitioner was already approved for FAP and the application identified a change in the household's circumstances, MDHHS properly treated the application as a change report. See BAM 105 (June 2025), p. 11.

MDHHS policy provides that income decreases that result in a FAP benefit increase must be effective no later than the first allotment issued 10 days after the date the change was reported, provided necessary verification was returned by the due date. BEM 505 (June 2025), p. 11. Here, Petitioner reported the change in BZ's employment income in the September 18, 2025 application and timely provided requested

verifications. Although Petitioner indicated in the application that he had previously contacted MDHHS with this information, there was no evidence presented that he had notified MDHHS at any time before September 2025 of this income decrease. As such, the change in BZ's income would affect Petitioner's October 2025 ongoing FAP budgets, which is the first pay period ten days after the reported change.

In determining an individual's income for FAP purposes, MDHHS considers *gross* actual and/or prospective income. BEM 505 (June 2025), p. 1. Prospective income is income not yet received but expected. BEM 505, pp. 1, 3. In prospecting non-child support income, MDHHS must 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. 6-9. If the individual has fluctuating or irregular income and the past 30 days is not a good indicator of future income, MDHHS may use the past 60 or 90 days' income if the fluctuations of income during the past 60 or 90 days appear to accurately reflect the income that is expected to be received in the benefit month. BEM 505, p. 6. Each income source must be converted to a standard monthly amount to account for fluctuations due to the number of scheduled pays in a month and is determined by multiplying average weekly income by 4.3 and average biweekly income by 2.15. BEM 505, pp. 8-9. Income received twice per month is added together. BEM 505, p. 9.

Here, BZ was paid biweekly. The evidence presented at the hearing showed that MDHHS received the following paystubs for BZ: ██████ for a payment date of August 12, 2025; ██████ for a payment date of August 26, 2025; ██████ for a payment date of October 7, 2025; and ██████ for a payment date of October 21, 2025. Based on these paystubs, BZ had standard gross monthly income of ██████ in August 2025 (the average biweekly pay in August multiplied by 2.15) and ██████ in October 2025 (the average biweekly pay in October multiplied by 2.15). MDHHS presented an employment budget summary for BZ showing that it had recalculated BZ's monthly income based on verifications it received, with the result that her monthly income was budgeted at ██████ for August 2025, ██████ for September 2025, and ██████ for October through December. (Exhibit A, p. 51) Although this evidence showed that BZ's employment income for October through December 2025 was ██████ the FAP net income budget that MDHHS presented to show how Petitioner's FAP benefits for October to December 2025 were calculated showed that MDHHS continued to budget ██████ for BZ's employment income. Therefore, MDHHS did not act in accordance with MDHHS policy when it failed to update BZ's income in determining Petitioner's FAP benefits for October to December 2025.

The evidence also showed that Petitioner reported to MDHHS on November 25, 2025 that RZ, who was 23 at the time, and BZ, who was 22 at the time, did not purchase and prepare food with him. MDHHS policy provides that individuals who live together with adult children age 22 and over can be in separate FAP groups if the parent and children do not purchase and prepare (or fix) food together. BEM 212 (June 2025), pp. 1, 3, 6. A change in group composition, which is a non-income change, must be processed in time to affect the benefit month that occurs 10 days after the change is reported. For a change reported November 25, 2025, the change would affect January 2026 benefits.

MDHHS presented a January 2026 FAP net income budget showing how Petitioner's FAP benefits were calculated for January 2026 when his FAP group size decreased from three to one. (Exhibit A, pp. 59-61) Net income, which is a household's countable gross income reduced by allowable deductions, must be calculated to determine the amount of FAP benefits an individual is eligible for. BEM 556 (November 2025), pp. 5-7.

In determining a client's countable income for FAP, MDHHS policy requires MDHHS to consider gross unearned income received by a client. BEM 503 (October 2025), p. 31. Here, the budget showed that Petitioner's gross monthly income totaled [REDACTED] which MDHHS explained was Petitioner's monthly gross RSDI income effective January 2026. Petitioner did not dispute this monthly income. Therefore, MDHHS properly calculated Petitioner's gross monthly income.

In determining FAP eligibility and amount, gross income is reduced by allowable deductions. Because Petitioner receives RSDI due to a disability, he is a senior/disabled/veteran (SDV) member of his FAP group. See BEM 550 (April 2025), pp. 1-2. FAP groups with one or more SDV members and unearned income are eligible for the following deductions to gross income in the FAP budget:

- the standard deduction (based on group size);
- childcare expenses;
- child support expenses;
- a medical expense deduction of \$165 if the SDV member incurs out-of-pocket medical expenses exceeding \$35 but less than \$200 or a deduction equal to verified out-of-pocket medical expenses minus \$35 if the SDV member incurs and verifies more than \$200 in monthly out-of-pocket medical expenses; and
- the excess shelter deduction.

BEM 554 (January 2026) p. 1; BEM 556, pp. 3-5.

Petitioner is the sole member of his FAP group. BEM 212 (June 2025), p. 1. A one-person FAP group is eligible for a \$209 standard deduction to gross income, as shown on the budget. RFT 255 (October 2025), p. 1. Petitioner had no childcare, medical, or child support expenses. Therefore, the budget properly did not include any deductions for those expenses.

Based on Petitioner's available deductions excluding the excess shelter deduction, Petitioner had an adjusted gross income (AGI) for January 2026 ongoing of [REDACTED] which is his gross income of [REDACTED] reduced by the \$209 standard deduction. BEM 556, p. 4. The budget correctly shows an AGI of [REDACTED]

The final deduction applicable to the calculation of Petitioner's net income for FAP purposes, the excess shelter deduction, first considers the total of Petitioner's monthly housing expense and the utility standards applicable to Petitioner's case based on the utilities his group is obligated to pay. This sum is reduced by 50% of his AGI (or █████ in this case) to arrive at his excess shelter deduction. BEM 556, pp. 4-5; BEM 554, pp. 13-24.

The excess shelter budget showed that in determining Petitioner's monthly housing expenses, MDHHS considered the household's monthly rent obligation of \$600, which Petitioner did not dispute, and applied the \$682 heat and utility (h/u) standard, which is the amount provided in policy to cover all heat and utility costs and is the maximum total utility and most beneficial standard available to a client. See BEM 554, pp. 16-21; RFT 255, p. 1. Petitioner's total housing expense is \$1,282 (the sum of \$600 and \$682). Petitioner's excess shelter deduction is \$713, the difference between his monthly shelter expense of \$1,282 and 50% of his AGI (or \$569). The FAP budget properly shows an excess shelter deduction of \$713.

Petitioner's net income is █████ the difference between his AGI of █████ and the \$713 excess shelter deduction. Based on net income of █████ and a FAP group size of one, Petitioner was eligible for monthly FAP benefits totaling \$170. RFT 260 (October 2025), p. 6. This is consistent with MDHHS's calculation. Therefore, MDHHS acted in accordance with policy when it calculated Petitioner's FAP benefits for January 2026 ongoing.

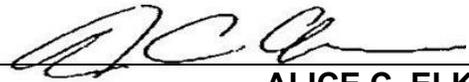
DECISION AND ORDER

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 MDHHS acted in accordance with its policy when it calculated Petitioner's FAP benefits for January 2026 ongoing but did not act in accordance with Department policy when it calculated Petitioner's FAP benefits for October to December 2025.

Accordingly, MDHHS's decision is **REVERSED concerning the October to December 2025 FAP benefits.**

MDHHS 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 benefits for October to December 2025, applying verified income information for BZ;
2. If eligible, issue supplements to Petitioner for FAP benefits he was eligible to receive but did not from October to December 2025; and
3. Notify Petitioner in writing of its decision.

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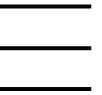
**ALICE C. ELKIN
ADMINISTRATIVE LAW JUDGE**

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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