

ISSUE

Did the Department properly determine Petitioner's eligibility for Food Assistance Program (FAP) 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 was receiving FAP benefits in the amount of \$66.00 per month. (Exhibit A, p. 1)
2. On January 5, 2026, the Department received updated Retirement Survivors and Disability Insurance (RSDI) benefit income information due to the annual Cost of Living Adjustment (COLA) increase. (Exhibit A, pp. 1 and 13-15)
3. Petitioner reported her rent would increase to \$627.00 effective February 1, 2026. (Petitioner Testimony)
4. On January 5, 2026, a Notice of Case Action was issued to Petitioner stating the FAP benefit amount for the household of three would decrease to \$53.00 per month effective February 1, 2026 due to changes with unearned income and shelter expense. (Exhibit A, pp. 8-12)
5. On January 15, 2026, Petitioner verbally requested a hearing contesting the Department's determination. (Exhibit A, pp. 3-6)

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.

The Department counts the gross amount of current Social Security Administration (SSA)-issued RSDI as unearned income for determining FAP eligibility. BEM 503, October 1, 2025, p. 31. Amounts deducted by an issuing agency to recover a previous overpayment

or ineligible payment are not part of gross income. These amounts are excluded as income. BEM 500, (April 1, 2022), p. 6.

For FAP, a shelter expense is allowed when the FAP group has a shelter expense or contributes to the shelter expense. BEM 554, (February 1, 2026), p. 15. The heat/utility (h/u) standard covers all heat and utility costs including cooling, except actual utility expenses, for example, installation fees etc. FAP groups that qualify for the h/u standard do not receive any other individual utility standards. FAP SDV groups whose heat is included in their rent may still qualify for the h/u standard. Some additional ways include but are not limited to, receipt of the Home Heating Credit (HHC) or a Low Income Home Energy Assistance Payment (LIHEAP). The amount of either payment must be greater than \$20 in the month of application or in the immediately preceding 12 months prior to the application month. BEM 554, pp. 19-20. FAP groups who pay for cooling (including room air conditioners) are eligible for the h/u standard if, they have the responsibility to pay for non-heat electric. BEM 554 pp. 21-22. FAP groups not eligible for the h/u standard who have other utility expenses or contribute to the cost of other utility expenses are eligible for the individual utility standards. Use the individual standard for each utility the FAP group has responsibility to pay. BEM 554 p. 27.

The FAP allowable expenses briefly included an internet expense. BEM 554, August 1, 2025, pp. 30-31. The internet expense was removed from the BEM 554 policy that went into effect October 1, 2025. BEM 554, October 1, 2025, p. 30.

On January 5, 2026, the Department received updated RSDI benefit income information due to the annual COLA increase. (Exhibit A, pp. 1 and 13-15). Petitioner reported her rent would increase to \$627.00 effective February 1, 2026. (Petitioner Testimony). On January 5, 2026, a Notice of Case Action was issued to Petitioner stating the FAP benefit amount for the household of three would decrease to \$53.00 per month effective February 1, 2026 due to changes with unearned income and shelter expense. (Exhibit A, pp. 8-12).

The FAP budget was reviewed with the parties and no errors were identified. For example, the Department properly considered the new housing cost and the full heat and utility standard. The Department also excluded amounts SSA deducted from the RSDI benefits to recover previous overpayments. (Exhibit A, pp. 13-19). Overall, the evidence shows that the Department properly determined Petitioner's eligibility for FAP benefits.

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 determined Petitioner's eligibility for FAP benefits.

Accordingly, the Department's decision is **AFFIRMED**.