

## ISSUE

The issue is whether MDHHS properly determined Petitioner's Food Assistance Program (FAP) eligibility.

## FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of December 2025, Petitioner received ongoing FAP benefits in a benefit group that included no other persons.
1. As of December 2025, Petitioner was neither senior (over the age of 60 years), disabled, or a disabled veteran.
2. As of December 2025, Petitioner received gross biweekly unemployment compensation benefits (UCB) of **\$REDACTED**.
3. As of December 2025, Petitioner last reported to MDHHS having no child support or dependent care expenses.
4. As of January 8, 2026, Petitioner last reported to MDHHS having no housing or utility expenses.
5. On January 8, 2026, MDHHS approved Petitioner for \$24 in monthly FAP benefits beginning February 2026.
6. On January 20, 2026, Petitioner requested a hearing to dispute FAP eligibility. Petitioner additionally reported to MDHHS having monthly housing expenses of \$1,200.

## CONCLUSIONS OF LAW

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. MDHHS administers the FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. MA policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute Food Assistance Program (FAP) eligibility. Exhibit A, pp. 4-6. A Notice of Case Action dated January 8, 2026, stated that Petitioner was eligible to receive \$24 in monthly FAP benefits beginning February 2026. Exhibit A, pp. 14-19.

FAP benefit eligibility is based on a client's net income as calculated by MDHHS policy. Net income is based on the client's group size, countable monthly income, and relevant monthly expenses. BEM 556 outlines the factors and calculations required to determine net income. The approval notice sent to Petitioner included a summary of factors used to determine Petitioner's net income of **\$REDACTED**. Exhibit A, p. 15. However, FAP budget documents for February 2026 calculated a net income of **\$REDACTED**. Exhibit A, pp. 34-36. For purposes of this decision, the lower net income of **\$REDACTED**, which is more favorable for Petitioner, will be accepted as correct. During the hearing, all relevant budget factors were discussed with Petitioner.

Petitioner testified that he has vehicle and medical expenses. Petitioner also testified that he has financial difficulty attending job interviews and medical appointments. Petitioner also expressed hope that he could receive more FAP benefits than calculated by MDHHS. Petitioner's testimony was credible. However, FAP eligibility is based on objective factors and not subject to the discretion of MDHHS or administrative law judges.

MDHHS factored a benefit group including only Petitioner. Petitioner did not dispute the FAP benefit group size of one.<sup>1</sup>

MDHHS calculated an unearned income of **\$REDACTED** for Petitioner's UCB. For UCB, MDHHS is to factor gross income. BEM 503 (July 2025) p. 39. MDHHS converts stable or fluctuating biweekly income to a monthly amount by multiplying the average income by 2.15. BEM 505 (June 2025) p. 8. MDHHS obtained documents from a data exchange with the Michigan Unemployment Agency which verified **\$REDACTED** in ongoing gross biweekly UCB for Petitioner in December 2025.<sup>2</sup> Exhibit A, pp. 10-12. Multiplying Petitioner's average biweekly gross income by 2.15 results in countable monthly UCB of **\$REDACTED** (dropping cents): the same unearned income calculated by MDHHS.

MDHHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 (January 2025) p. 1. For groups without a senior (over 60 years old), disabled or disabled veteran (SDV) member, MDHHS factors the following expenses: shelter (housing expenses + utility credits) up to a capped amount, dependent care, and court-ordered child support including arrearages paid to non-household members. *Id.* 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 the standard medical deduction (SMD) of \$165. *Id.*, p. 9. If the group has actual medical expenses which are more than the SMD, the group has the option to verify their actual expenses instead of receiving the SMD. *Id.* SDV groups are also eligible for an uncapped excess shelter credit.

Petitioner did not allege having dependent care or child support expenses. Medical expenses were not countable because Petitioner was not an SDV member. Thus, Petitioner's countable non-shelter expenses total \$0.

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<sup>1</sup> See BEM 212 for policies on determining group size for FAP benefits.

<sup>2</sup> Petitioner also received biweekly pandemic unemployment insurance benefits of \$1,200 which were not counted in the FAP budget.

Petitioner's FAP benefit group size justifies a standard deduction of \$209 (see RFT 255). The standard deduction is given to all FAP benefit groups, though the amount varies based on the benefit group size. The standard deduction and countable non-shelter expenses are subtracted from the countable monthly income to calculate the group's adjusted gross income. Subtracting the standard deduction (\$209) and countable non-shelter expenses (\$0) from the group's countable income (\$**REDACTED**) results in an adjusted gross income of \$**REDACTED**.

MDHHS credibly testified that during an interview on September 15, 2025, Petitioner reported having no rent or utility obligation. MDHHS further credibly testified that Petitioner did not report having a rent obligation until he requested a hearing and reported paying his mother \$1,200 per month for rent. MDHHS factored \$0 rent in determining Petitioner's FAP eligibility for February 2026 on January 8, 2026; however, February 2026 budgets factored \$1,200 for Petitioner's rent. For purposes of this decision, it will be accepted that Petitioner's rent was correctly factored by MDHHS to be \$1,200. Petitioner did not allege having any utility obligations. Petitioner's total shelter obligation (housing costs + utility credits) are \$1,200.

MDHHS credits FAP benefit groups with an "excess shelter" expense. The expense is calculated by subtracting half of Petitioner's adjusted gross income from Petitioner's total shelter obligation. Petitioner's excess shelter expense is \$346.

The FAP benefit group's net income is determined by subtracting the excess shelter expense from the group's adjusted gross income; doing so results in \$**REDACTED** in net income for Petitioner's group. A chart is used to determine the proper FAP benefit issuance.<sup>3</sup> RFT 260 (October 2025) pp. 1-5. Based on Petitioner's group size and net income, Petitioner's proper FAP issuance for February 2026 is \$24: the same amount calculated by MDHHS. Given the evidence, MDHHS properly determined Petitioner's FAP eligibility.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly determined Petitioner to be eligible for \$24 in monthly FAP benefits beginning February 2026. The actions taken by MDHHS are **AFFIRMED**.

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<sup>3</sup> FAP eligibility can also be calculated by multiplying the net income by 30% and subtracting the amount from the maximum FAP issuance for the group.