

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED]

Claimant

Reg. No: 2009-5644

Issue No: 2006; 3008

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

January 27, 2009

Genesee County DHS

ADMINISTRATIVE LAW JUDGE: Janice G. Spodarek

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone conference hearing was held on January 27, 2009.

ISSUE

Did the Department of Human Services (DHS) properly close claimant's Medical Assistance (MA) and Food Assistance Program (FAP) cases due to claimant's failure to cooperate with the department's verification request?

FINDINGS OF FACT

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

(1) At all relevant times prior to the negative action herein, claimant was a Work First participant receiving benefits under Michigan's welfare programs for FAP and MA.

(2) On October 21, 2008, the local office was informed that claimant was not participating with the Work First requirements. Verification from the Update/View Case Notes from Work First indicates a third triage on 10/20/08 and a 10/16/08 communication with verification from claimant's employer indicated that claimant was not in compliance with Work First requirements.

(3) On 10/21/08, the DHS issued a Verification Checklist (DHS-3503) requesting that claimant complete an enclosed DHS-38--Verification of Employment form. The department indicates: "JET reported your job end. You must verify." The information was due on 11/1/08.

(4) Unrefuted evidence on the record is that there was no contact from claimant by the due date.

(5) The department did not receive any of the requested forms.

(6) On 11/5/08, the DHS issued notices of case action for the MA and FAP programs informing claimant that effective 11/18/08 her MA and FAP cases would close for the following reason: "You failed to provide the department with information needed to determine your eligibility." Exhibits 3 and 4.

(7) On 11/17/08, claimant filed a hearing request. The actions took place.

#### CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Under federal and state law, individuals who are recipients of welfare benefits are required to establish eligibility with requested verification(s) to substantiate the eligibility. When the department has inconsistent information regarding eligibility, the department is required under federal and state law to request verification(s) to resolve any discrepancy in order to establish eligibility for program benefits. Failure to do so may result in significant financial penalties on the State of Michigan.

In this case, the department had information from the Work First agency that was inconsistent with claimant's eligibility. As such, the department followed its procedure under the general verification and cooperation policy. Applicable policy to the case herein states in part:

**DEPARTMENT POLICY**

**All Programs**

Clients have rights and responsibilities as specified in this item.

The local office must do **all** of the following:

- . Determine eligibility.
- . Calculate the level of benefits.
- . Protect client rights. PAM, Item 105, p. 1.

**All Programs**

Clients must completely and truthfully answer all questions on forms and in interviews. PAM, Item 105, p. 5.

The client might be unable to answer a question about himself or another person whose circumstances must be known. Allow the client at least 10 days (or other timeframe specified in policy) to obtain the needed information. PAM, Item 105, p. 5.

## **Responsibility to Report Changes**

### **All Programs**

This section applies to all groups **except** most FAP groups with earnings.

Clients must report changes in circumstances that potentially affect eligibility or benefit amount. Changes must be reported **within 10 days**:

- . after the client is aware of them, or
- . the start date of employment. PAM, Item 105, p. 7.

## **Verifications**

### **All Programs**

Clients must take actions within their ability to obtain verifications. DHS staff must assist when necessary. See PAM 130 and PEM 702. PAM, Item 105, p. 8.

## **Assisting the Client**

### **All Programs**

The local office must assist clients who ask for help in completing forms (including the DCH-0733-D) or gathering verifications. Particular sensitivity must be shown to clients who are illiterate, disabled or **not** fluent in English. PAM, Item 105, p. 9.

## **Obtaining Verification**

### **All Programs**

Tell the client what verification is required, how to obtain it, and the due date (see “**Timeliness Standards**” in this item). Use the DHS-3503, Verification Checklist, or for MA redeterminations, the DHS-1175, MA Determination Notice, to request verification. PAM, Item 130, p. 2.

Send a negative action notice when:

- . the client indicates refusal to provide a verification, **or**
- . the time period given has elapsed and the client has not made a reasonable effort to provide it. PAM, Item 130, p. 4.

### **MA Only**

Send a negative action notice when:

- . the client indicates refusal to provide a verification, **or**
- . the time period given has elapsed. PAM, Item 130, p. 4.

## **VERIFICATION AND COLLATERAL CONTACTS**

### **DEPARTMENT POLICY**

#### **All Programs**

**Verification** means documentation or other evidence to establish the accuracy of the client's verbal or written statements.

Obtain verification when:

- . required by policy. PEM items specify which factors and under what circumstances verification is required.
- . required as a local office option. The requirement **must** be applied the same for every client. Local requirements may **not** be imposed for MA, TMA-Plus or AMP without prior approval from central office.
- . information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party. PAM, Item 130, p. 1.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. PAM, Item 130, p. 1.

The client must obtain required verification, but you must assist if they need and request help. PAM, Item 130, p. 2.

As noted in the above-cited PAM Item 130, a discrepancy triggers action by the department to request information to resolve that discrepancy. In this case, the department

complied with that policy by issuing the verification checklist. The department gave claimant an opportunity and time to bring in contrary information regarding her purported job and by Work First. However, the department did not receive the employment verification from claimant or from her employer.

In this case, the department then issued closure notices due to claimant's failure to complete the necessary information. Claimant was given an opportunity to resolve the discrepancy. General verification policy applies. The department followed general verification policy and procedure in requesting necessary verifications. Under the above-cited authority, as a recipient of public assistance, claimant has a responsibility and obligation to comply with the department's request to resolve the discrepancy. Claimant did not do so. Claimant had no evidence or documents to support her position. The department has met its burden of proof and thus, the department's closure is upheld. It is noted that this Decision and Order notes no ruling as to whether claimant did or did not comply with Work First. The DHS closed claimant's cases on a verification issue, as stated in the negative actions.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department's actions were correct.

Accordingly, the department's closure due to claimant's failure to verify is hereby UPHELD.

/s/  
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Janice G. Spodarek  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: February 5, 2009

Date Mailed: February 6, 2009

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the mailing date of the rehearing decision.

JGS/cv

cc:

