

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: 2009-24989

Issue No: 3008

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

July 16, 2009

Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Steven M. Brown

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 hearing was conducted from [REDACTED] on July 16, 2009.

ISSUE

Whether the Department properly terminated Claimant's Food Assistance Program (FAP) benefits and denied his application for Adult Medical Program (AMP) benefits based upon his failure to provide requested verification(s)?

FINDINGS OF FACT

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

- (1) Claimant was a FAP recipient.
- (2) On April 3, 2009, Claimant mailed the Department an Assistance Application, DHS-1171, applying for AMP benefits. (Exhibit 5)

(3) The Department noted that Claimant had moved to transitional housing and was now paying [REDACTED]/month for rent. His rent had previously been approximately [REDACTED]/mo, but it was at least partially paid for by the [REDACTED].

(4) On April 10, 2009, the Department contacted Claimant to inquire about the change in rent and how he was paying it given that he listed no income on his FAP or AMP application(s). Claimant informed the Department that his [REDACTED] gave him [REDACTED] from time to time to help him pay his bills. (Exhibit 10)

(5) On April 10, 2009, a Verification Checklist, DHS-3503, was sent to Claimant's [REDACTED]. (Exhibit 3)

(6) On April 20, 2009, the Department received a letter that was signed "[REDACTED]", but the Department contacted [REDACTED] because it did not specify how much [REDACTED] she had given him for March and April 2009. She denied writing the letter and said Claimant's sister gave him money. A 2nd letter, dated May 24, 2009, from [REDACTED] [REDACTED] states that she gives Claimant [REDACTED]/mo. for his [REDACTED]. (Exhibits 4, 8)

(7) The Department also received a Shelter Verification signed by [REDACTED] [REDACTED]), which states that the total monthly shelter obligation is [REDACTED] (Exhibit 9)

(8) On May 15, 2009, the Department mailed Claimant a Notice of Case Action which informed him that his FAP benefits would be cancelled effective May 27, 2009 for failure to report and/or provide verification of his income. (Exhibit 2)

(9) The Department stated at hearing that Claimant's application for AMP benefits was also denied for failure to report and/or provide verification of his income, but it could not provide any information and/or documentation of the notice.

(10) On May 21, 2009, the Department received Claimant's hearing request protesting the termination of his FAP benefits and the denial of his application for AMP benefits.

(11) At hearing, Claimant testified that he does not pay the [REDACTED] rent and offered a July 2, 2009 letter from [REDACTED], which states in pertinent part: "This letter is being forwarded to you in order to inform you that [REDACTED] currently resides at [REDACTED] and his residence is being provided by the [REDACTED]." (Exhibit 6)

CONCLUSIONS OF LAW

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. Departmental policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM), and the Program Reference Manual (PRM).

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. PAM 105, p. 5 Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. PAM 130, p.1 Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as local office option or information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. PAM 130, p.1 The Department uses documents, collateral contacts or home calls to verify information. PAM 130, p.1 A collateral contact is a direct contact with a person, organization or agency to verify information from the client. PAM 130, p. 2 When documentation is not available, or clarification is needed, collateral contact may be necessary. PAM 130, p. 2

Clients are allowed 10 calendar days (or other time limit specified in policy) to provide the verifications requested by the Department. PAM 130, p. 4 If the client cannot provide the verification despite a reasonable effort, the time limit should be extended no more than once. PAM 130, p. 4 A negative action notice should be sent when the client indicates a refusal to provide the verification or the time period provided has lapsed and the client has not made a reasonable effort to provide it. PAM 130, p.4

Clients are allowed a reasonable opportunity to resolve any discrepancy between statements and information obtained through another source. PAM 130, p. 6 Disagreements and misunderstandings should be resolved at the lowest possible level to avoid unnecessary hearings. PAM 600, p. 11

In the instant case, there is a discrepancy that should not be hard too difficult to resolve through collateral contact(s) in order to make the proper determination in this matter. Specifically, it is unclear based on the testimony of Claimant and the Department and the Shelter Verification and letter provided by Claimant's landlord whether the rental obligation is (1) owed by Claimant and he pays it with some unknown source of income, (2) owed by Claimant, but he has not paid it because he does not have any income, (3) owed by Claimant, but the State pays it or (4) owed by the State and paid by the State.

With the above said, I find that the Department did not establish that it acted in accordance with policy in terminating Claimant's FAP benefits and denying Claimant's application for AMP benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department improperly terminated Claimant's FAP benefits and denied Claimant's application for AMP benefits.

Accordingly, the Department's action is REVERSED, it is SO ORDERED. The Department shall:

(1) Contact [REDACTED] Claimant and/or any other entity or individual to ask the above questions and/or any other questions it deems necessary to ascertain what Claimant's rental obligation is, who is paying it and, if Claimant is paying it, how he does so given the program that he is currently enrolled in.

(2) Make a determination as to Claimant's eligibility for FAP and AMP benefits.

(3) Issue Claimant supplemental benefits he is entitled to, if any.

- (4) Notify Claimant in writing of the Department's revised determination.
- (5) Claimant retains the right to request a hearing if he would like to contest the Department's revised determination.

/s/

Steven M. Brown
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: July 21, 2009

Date Mailed: July 21, 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 60 days of the filing of the original request.

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

SMB/db

cc:

[REDACTED]