

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: 2009-36036
Issue No: 3008; 6019
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
October 14, 2009
Gratiot County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 hearing was held on October 14, 2009. Claimant appeared and testified.

ISSUES

- (1) Did the Department of Human Services properly close Claimant's Food Assistance Program (FAP) case for failure to provide required verifications?
- (2) Did the Department of Human Services properly deny Claimant's Child Development and Care (CDC) application for failure to provide required verifications?

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 an ongoing recipient of Food Assistance Program (FAP) benefits.

- (2) On July 28, 2009, Claimant reported employment and submitted an application for Child Development and Care (CDC) benefits.
- (3) On August 4, 2009, Claimant was sent a Verification Checklist (DHS Form 3503) specifically requesting verification of home rent, CDC provider assignment, and missing pay period amounts.
- (4) On August 28, 2009, the Department had not received income verification or necessary CDC provider identification. Claimant was sent a Notice of Case Action (DHS-1605) stating her Food Assistance Program (FAP) case would close and that her Child Development and Care (CDC) application was denied.
- (5) On September 8, 2009, Claimant submitted a timely hearing request. In accordance with Department policy Claimant should have continued to receive Food Assistance Program (FAP) benefits pending the outcome of this hearing. Because the Department's actions are being upheld in this hearing, any benefits Claimant would have received pending this hearing, are subject to being recouped by the Department.

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

The Child Development and Care program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department of Human Services (DHS or department) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

At this hearing Claimant testified that due to her oversight pay stubs did not get turned in. Claimant also testified that she now understands that the Department needed verification of her CDC provider's identification and that had not been provided either.

Claimant raised the issue that she submitted the hearing request in time to continue receiving benefits but her Food Assistance Program (FAP) case was closed. It was determined during the hearing that the original request for hearing was submitted to State Office of Administrative Hearings and Rules and is in our file. The receipt date stamp is on the back of the request for hearing, does show the request was timely, and the local office only has a copy of the front side of the request which has no date stamp on it. In accordance with Department policy Claimant should have continued to receive Food Assistance Program (FAP) benefits pending this hearing. Also in accordance with the policy cited below any benefits Claimant would have received are subject to recoupment by the Department. This evidentiary record does not contain sufficient information for this Administrative Law Judge to determine whether Claimant would or would not net any benefits if she had continued to receive benefits pending the hearing. No specific order is issued about supplementing benefits to Claimant during the

period pending this hearing. Claimant and the local office should discuss the application of Department policy to the specific amount of Claimant's Food Assistance Program (FAP) benefits involved between filing the hearing request and receipt of this order.

BAM 700 BENEFIT OVERISSUANCES

DEPARTMENT POLICY

All Programs

When a client group receives more benefits than they are entitled to receive, DHS must attempt to recoup the overissuance (OI). This item explains OI types and standards of promptness (SOP).

Client Error

All Programs

A **client error** OI occurs when the client received more benefits than they were entitled to because the client gave incorrect or incomplete information to the department.

A client error also exists when the client's timely request for a hearing results in deletion of a DHS action, **and**

- The hearing request is later withdrawn, **or**
 - SOAHR denies the hearing request, **or**
 - The client or administrative hearing representative fails to appear for the hearing and SOAHR gives DHS written instructions to proceed,
- or**
- The hearing decision upholds the department's actions. See BAM 600.

OVERISSUANCE THRESHOLD

FIP, SDA, CDC and FAP Only

Agency error OIs are not pursued if the estimated OI amount is less than \$500 per program.

Exception: There is no threshold limit on CDC **system** errors. The RRS in central office will recoup these types of OIs.

Client error OIs are not established if the OI amount is less than \$125, unless:

- The client or provider is active for the OI program, **or**
- The OI is a result of a Quality Control (QC) audit finding.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services properly closed Claimant's Food Assistance Program (FAP) case for failure to provide required verifications and denied Claimant's Child Development and Care (CDC) application for failure to provide required verifications.

It is ORDERED that the actions of the Department of Human Services, regarding closure of the Food Assistance Program (FAP) case and denial of the Child Development and Care (CDC) application, are UPHHELD.

/s/ _____
Gary F. Heisler
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: October 22, 2009

Date Mailed: October 26, 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.

GFH [REDACTED]

cc:

[REDACTED]