

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: 2009-36101

Issue No: 2000, 3003

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

October 13, 2009

Kent County DHS

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 held on October 13, 2009. Claimant appeared and testified. Amy Wright, FIM appeared on behalf of the department.

ISSUES

1. Did the Department properly process claimant's Medicare cost-savings plan application?
2. Did the Department properly calculate claimant's Food Assistance Program (FAP) allotment?

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 FAP benefits in a household of one person.

(2) On July 22, 2009, claimant applied for the Medicare cost saving plan and reapplied FAP benefits.

(3) The department's new Bridges computer system denied the Medicare cost saving plan. (Department Exhibit 1, pg. 3)

(4) The department recalculated the FAP budget and determined claimant was entitled to a monthly allotment of \$17. (Hearing Summary)

(5) On July 22, 2009, the department issued a Verification Checklist requesting proof of child support, rent and assets with a due date of August 3, 2009. (Department Exhibit 1, pgs. 2 and 5)

(6) On July 24, 2009, claimant filed a hearing request to contest the Medicare cost savings program and FAP determinations.

(7) The department has since reprocessed the Medicare cost savings plan application and it was approved as of July 2009.

(8) On July 30, 2009, claimant returned the first page of the Verification Checklist with his written statement regarding his child support and a separate page with his written statement regarding his rent. (Department Exhibit 1, pgs. 2 and 6)

(9) The department recalculated the FAP budget but did not include the child support or rent credits because no documentation for these expenses was returned beyond claimant's statements. The department determined claimant is entitled to a monthly FAP allotment of \$27 effective July 2009. (Department Exhibit 2, pg. 3)

CONCLUSIONS OF LAW

MA

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BPEM) and the Program Reference Manuals.

The regulations governing hearings and appeals for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code. MAC R 400.901-.951. MAC R 400.903 reads in part: An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied or is not acted upon with reasonable promptness, and to any recipient who is aggrieved by a department action resulting in suspension, reduction, discontinuance, or termination of assistance.

In the present case, claimant filed a request for hearing when the department denied his Medicare cost savings plan application. The department testified that the new Bridges computer system denied the program. However, the department has since reprocessed and approved claimant for the Medicare cost savings plan since July 2009. Accordingly, the department has not currently taken a negative action or failed to act in a timely manner regarding this benefit in claimant's case. Claimant testified that the department has since provided this benefit and there is no remaining issue regarding the Medicare cost savings plan.

Therefore, this hearing issue relating to the Medicare cost saving, plan is DISMISSED pursuant to MAC R 400.903(1). PAM 600.

FAP

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BPEM) and the Program Reference Manuals.

Under BAM 105, clients must cooperate with the local office in determining initial and ongoing eligibility. The department is to request verification when required by policy, when required by local office option, or when information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. BAM 130. The department is to allow 10 days to provide the verification requested and a negative action notice is to be sent 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. BAM 130. The department must also help clients who need and request assistance in obtaining verifications, and may extend the time limit, if necessary. BAM 130.

Under BEM 554, the department must verify the responsibility to pay and the amount of certain expenses. The department may not budget expenses that require verification until the verification is provided, and instead must determine eligibility and the benefit level without an expense requiring verification if it cannot be verified. BEM 554. For child support expenses and arrearages the department must verify (1) the household's legal obligation to pay, (2) the monthly amount of the obligation for current child support, and (3) the amount of child support the household actually pays. BEM 554. The department must also verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, remove the old expense until the new expense is verified. BEM 554.

In the present case, the department issued a Verification Checklist on July 22, 2009 requesting documentation to verify claimant's obligations for child support and rent with a due date of August 3, 2009. (Department Exhibit 1, pgs. 2 and 5) The Verification Checklist also provided examples of what types of documentation would be acceptable as proof. (Department

Exhibit 1, pgs. 2 and 5) On July 30, 2009, the claimant provided the department with his own written statements regarding the rent and child support obligations. (Department Exhibit 1, pgs. 2 and 6) Unfortunately, the claimant's statements regarding these obligations are not sufficient under department policy. Claimant testified he could obtain the needed documentation regarding his child support and rent obligations. Claimant was encouraged to obtain the proofs and submit them to the documentation so the expenses could be included in the budget for his ongoing benefits.

Based upon the foregoing facts and relevant law, it is found that the claimant failed to provide the requested verifications to the department. Accordingly, the department properly calculated the FAP budget without the child support and rent expenses.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that department properly calculated claimant's FAP allotment without the child support and rent expenses because claimant failed to provide the requested verifications for these obligations.

Accordingly, the department's FAP eligibility determination is **AFFIRMED**

/s/

Colleen Lack
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: October 20, 2009

Date Mailed: October 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 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.

JS/cv

cc:

