

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: 2009-21339

Issue No: 1005

Case No:

[REDACTED]

Load No:

Hearing Date:

June 11, 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 June 11, 2009.

ISSUE

Whether the Department properly denied Claimant's application for Family Independence Program (FIP) benefits based upon her 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) On February 9, 2009, Claimant applied for FIP, Medical Assistance (MA) Food Assistance Program (FAP) benefits. (Exhibit 3)

(2) On February 9, 2009, the Department mailed Claimant a Verification Checklist, DHS-3503, with a due date of February 19, 2009. (Exhibit 4)

(3) On February 9, 2009, the Department mailed Claimant a Work First/Jobs, Education and Training Appointment Notice with an orientation date of February 18, 2009. (Exhibit 5)

(4) On February 19, 2009, Claimant returned the DHS-3503, a Shelter Verification, DHS-3688, and her child's social security card. She did not return her paycheck stubs because she did not have any. She was on 100% commission and had not been paid. She also did not return any other income records because she did not receive unemployment, child support, RSDI, SSI, etc.

(5) On March 25, 2009, the Department mailed Claimant an Application Eligibility Notice informing her that her application for FIP benefits was denied due based on her failure to return requested verifications. (Exhibit 11)

(6) On April 2, 2009, the Department received Claimant's hearing request protesting the denial of her application for FAP benefits with a reference to Work First. (Exhibit 2)

(7) The Department Representative, [REDACTED] filled in at hearing for the manager and caseworker involved in the case. [REDACTED] stated that Claimant should have let her caseworker know if she did not have any paystubs because it still had to be verified. Claimant stated that she told her caseworker all about her employment situation at the time of application and that the caseworker understood that she was employed, but had no income. The caseworker told her that she was considered unemployed and needed to go to Work First.

(8) Claimant stated that there was no issue with her MA and FAP benefits. [REDACTED] stated that the information Claimant returned was enough to approve her application for MA and FAP benefits. According to the Department Hearing Summary, “Medicaid review and food stamp recertification completed with no loss in benefits to client.” (Exhibit 1)

(9) Claimant stated that she re-applied for FIP with a different caseworker and did not provide any records of income. [REDACTED] stated that Claimant is currently receiving cash assistance (FIP benefits). According to the Department Hearing Summary, “Client re-applied for cash assistance on April 2, 2009 which will require another referral to the JET program for orientation. (Exhibit 1)

#### CONCLUSIONS OF LAW

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (DHS or department) administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found 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, I do not find that the Department established that it acted in accordance with policy in denying Claimant's application for FIP benefits. [REDACTED]

did an admirable job of trying to piece together what happened in this matter. However, it makes no sense to me that Claimant's application for FIP was denied, but her applications for FAP and MA were approved if there really was an issue with her documentation of income or lack thereof. Further, Claimant re-applied for FIP 8 days after her denial and, according to her, was approved without providing any further documentation of income.

Perhaps, the denial had something to do with her quitting her job. The Department Hearing Summary states that "Client was never advised to quit her job by this worker", [REDACTED] mentioned the statement as did Claimant's hearing request. However, there is no question that Claimant's FIP application was denied on the basis of failure to return verifications based on the Hearing Summary, Application Eligibility Notice and the Department's position at hearing. It should not have been denied on this basis.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department improperly denied Claimant's application for FIP benefits based on her failure to provide requested verifications.

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

- (1) Approve Claimant's February 9, 2009 application for FIP benefits.
- (2) Issue Claimant supplemental benefits she is entitled to, if any.
- (3) Notify Claimant in writing of the Department's revised determination.

