

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: 2010-2660  
Issue No: 3008  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
November 12, 2009  
Eaton 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 November 12, 2009. Claimant appeared and testified.

ISSUE

Did the Department of Human Services properly deny Claimant's Food Assistance Program (FAP) 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) On August 17, 2009, Claimant submitted an application for Food Assistance Program (FAP) benefits. Claimant marked the application as quitting a job at [REDACTED] on 8/7/09 in order to start another one. The application also listed employment income with [REDACTED] beginning 8/22/09.

- (2) On August 27, 2009, Claimant was sent a Verification Checklist (DHS Form 3503). The checklist specifically requested paycheck stubs for 7/13/09 to 8/12/09 and stated “all wage earners must provide proof of income and stopped income.”
- (3) On September 8, 2009, the Department received 4 pay stubs from Claimant’s employment at [REDACTED]
- (4) On September 28, 2009, Claimant was sent a Notice of Case Action (DHS-1605) stating her application was denied.
- (5) On October 8, 2009, Claimant submitted a request for hearing.

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).

Department policy provides the following guidance for case workers. The Department's policies are available on the internet through the Department's website.

**PAM 130 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.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level.

### **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.

The client must obtain required verification, but you must assist if they need and request help. If neither the client nor you can obtain verification despite a reasonable effort, use the best available information. If **no** evidence is available, use your best judgment.

### **BEM 500 INCOME**

### **DEPARTMENT POLICY**

#### **All Programs**

This item discusses income for:

- Family Independence Program (FIP).
  - Refugee Assistance Program (RAP) which, if policy differs is divided into:
    - Refugee Assistance Program Cash (RAPC).
    - Refugee Assistance Program Medical (RAPM).
  - State Disability Assistance (SDA).
  - Child Development and Care (CDC).
- Note:** Applies to all CDC income eligible groups.
- Medicaid (MA) which, if policy differs, is divided into:
    - FIP-related MA.
    - SSI-related MA.

- Specific MA categories.
- Adult Medical Program (AMP).
- TMA-Plus (TMAP).
- Food Assistance Program (FAP).

The phrase All Programs in this item means all the programs listed above.

The group composition and program budgeting items specify whose income to count. The program budgeting items also contain programspecific income deductions and disregards.

Income means benefits or payments received by an individual which is measured in money. It includes money an individual owns even if NOT paid directly such as income paid to a representative.

Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. Unearned income means all income that is NOT earned income. The item specifies whether the income is earned or unearned.

The amount of income counted may be more than the amount a person actually receives because it is the amount before any deductions including deductions for taxes and garnishments. The amount before any deductions is called the **gross** amount.

Income remaining after applying the policy in this item is called **countable**.

Count all income that is NOT specifically excluded.

## **PAYMENT TO REPRESENTATIVE**

### **All Programs**

Income paid to a person acting as a representative for another person is NOT the representative's income. The income is the other person's income. Common representatives are:

- Legal guardians (see BPG Glossary).
- Court-appointed conservators.
- Minor children's parents.
- Representative payees.

In this case, the evidence shows that Claimant was cooperative and attempted to provide the required verifications. It appears that a more specific description of the requirement to verify that the MSU income had stopped would have resulted in the required verification being provided. Determining Claimant's eligibility would also require verifying her specific status at Americorp. The Verification Checklist (DHS Form 3503) specifically requested paycheck stubs for 7/13/09 to 8/12/09 and stated "all wage earners must provide proof of income and stopped income."

Department policy on verifications, cited above states "Tell the client what verification is required, how to obtain it, and the due date." The facts in this case do not show this requirement in Department policy was met. The denial in this case appears to be the result of the Department caseworker was making every effort to meet policy requirements and standards of promptness, but with an overwhelming case load that prevented her from following up and inform the Claimant that all the requirements had not been provided.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services DID NOT properly deny Claimant's Food Assistance Program (FAP) application for failure to provide required verifications.

It is ORDERED that the actions of the Department of Human Services, in this matter, are REVERSED.

It is further ORDERED that Claimant's application of August 17, 2009, be reinstated and processed.

This shall include identifying the specifically required verifications time to provide them as described in Department of Human Services policy.

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

Date Signed: November 23, 2009

Date Mailed: December 15, 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]