

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2010-55727
Issue No.: 3019/2006
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: October 18, 2010
Macomb County DHS (36)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on October 18, 2010. The claimant appeared and testified. The Department's representative [REDACTED], ES also appeared and testified on behalf of the Department.

ISSUE

Whether the Department properly closed the Claimant's Food Assistance (FAP) case and Medical Assistance case due to Claimant's failure to return the requested verification information in a timely manner by the due date?

FINDINGS OF FACT

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

1. The Department scheduled a redetermination for the claimant's FAP assistance in August 2010.
2. The department sent a Verification Checklist to the claimant on August 24, 2010, requesting a current statement of the claimant's bank account for verification of assets, and verification of her mobile home lot rent. Exhibit 1.
3. The Claimant received the Verification Checklist.

4. The claimant provided verification of her mobile home lot rent on September 7, 2010, after the requested verifications were due, but did not provide a current bank statement.
5. The Claimant's FAP benefits were calculated and reduced based upon existing information in the Bridges system for lot rent which was no longer correct based on the lot rental information that the Claimant provided in response to the Verification Checklist.
6. The Department Issued a Notice of Case Action dated September 7, 2010 which closed the Claimant's medical assistance effective October 1, 2010 and reduced her FAP benefits to \$16 per month. Exhibits 2.
7. The Claimant requested a hearing on September 11, 2010 which was received by the department on September 28, 2010

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 (formerly known as the Family Independence Agency) administers the FAP program pursuant to CML 400.10 *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

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, formally known as the Family Independence Agency, 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 ("BEM"), and the Bridges Program Reference Manual ("PRM").

Clients must cooperate with the local office in determining initial and ongoing eligibility to provide verification. BAM 130, p. 1. The information might be from the client or a third party. Id. The Department can use documents, collateral contacts or home calls to verify information. Id. The client should be allowed 10 calendar days to provide the verification. If the client cannot provide the verification despite a reasonable effort, the time limit to provide should be extended at least once. BAM 130, p.4; BEM 702. If the client refuses to provide the information or has not made a reasonable effort within the specified time period, then policy directs that a negative action be issued. BAM 130, p.

4. Before making an eligibility determination, however, the department must give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source. BAM 130, p. 6.

In this case, the Department mailed out a verification checklist requesting the claimant to provide the Department with information to establish her mobile home lot rental and proof of assets, specifically a bank statement for the last 30 days. The claimant did not respond to the Verification Checklist by the due date and only provided the Department proof of her lot rental after the due date.

Based upon these facts and circumstances it is found that the Department did properly close the Claimant's Medical Assistance case because the proof of assets was not provided.

The Claimant's FAP benefits were also properly reduced for the same reason, the requested verifications were provided after the due date. However, with regard to the FAP benefits calculations, the Department was subsequently provided Lot rent information that indicates that the Claimant was paying more lot rent than what it had previously used to calculate the FAP budget. Therefore, the Department while properly reducing the FAP budget must now review and recalculate the FAP budget for September 2010 and include the correct Lot rent. The change in FAP benefits if any should be effective on and after October, 1, 2010.

The undersigned finds that Claimant did not provide the requested information sought by the Verification Checklist by the due date and therefore the Department appropriately took negative action reducing the FAP benefits and closing the Medical Assistance. The Claimant is encouraged to reapply for Medical Assistance immediately.

Based upon the foregoing facts and relevant law, it is found that the Department's decision to reduce the Claimant's FAP benefits and to close the Medical Assistance case is **AFFIRMED** for the reason that the Claimant did provide the requested information required by the verification checklist by the due date.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the evidence presented at the hearing did support the decision of the Department to reduce the Claimant's FAP benefits and to close the Claimant's Medicaid case for failure to provide verification of assets.

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Therefore, the Department's decision must be AFFIRMED.



Lynn M. Ferris
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: 10/19/2010

Date Mailed: 10/19/2010

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 of the rehearing decision.

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