# STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: Reg
Issue
5017,5006
Case

Oakland

No: 2011-28850 No: 3008,2001

No: Hearing Date:

May 5, 2011

County DHS (03)

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 conducted from Detroit, Michigan on May 5, 2011. The Claimant appeared and testified.

#### ISSUE

Whether the Department properly denied the Claimant's Food As sistance (FAP) application due to Claimant's failure to return employment information requested by the Verification Checklist by the due date?

Whether the Department properly denied the Claimant's Application for the Adult Medical Program.

Whether the Department proper ly denied the Claimant's application for Cash Assistance - State Disability Program (SDA).

Whether the Department properly denied the Claimant's State Emergency Relief (SER) application for repairs to his home.

#### **FINDINGS OF FACT**

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

- The Claimant applied for Food Assistance (FAP), Cash Assistance (FIP),
   Medical Assistance and State Emergency Relief (SER) on March 1, 2011.
   Exhibit 1.
- The Department sent the Claimant a verification checklist on March 1,
   2011, seeking verification of his mother's employment and wages and
   salaries for earnings from a catering job listed on the application. Exhibit 2
- 3. The Department denied the Claimant's application for food assistance on March 1, 2011, due to the Claimant's failure to return the verification of income, salaries and employment for the last 30 days preceding the application and shelter expenses. Exhibit 3
- The Claimant testified that he did not see the second page of the verification checklist requesting proof of income.
- The Claimant resides with his mother and they purchase and prepare meals together.
- 6. The Claimant was not eligible for the Adult Medical Program because the program was closed to new applicants at the time of the Claimant's application.
- 7. The Claimant did not check that he was disabled on the application and no application was processed for medical disability. At the time he applied, he provided his worker a packet of medical information, which she refused to open or review.

- The Department agreed to reinstate and process the Claimant's application for medical disability retroactive to the date of the application March 1, 2011.
- 9. The Claimant applied for State Emergency Relief for repair of his home and assistance with taxes and insurance.
- 10. The Department denied the request for State Emergency relief because the Claimant was not living in the home he requested SER assistance for. The house was uninhabitable. No emergency existed, as the Claimant has lived with his mother for over one year. The Claimant did not verify sufficient income to demonstrate he could afford the housing.
- 11. The Claimant has no income, and the Department denied the SER application because it was not affordable, and there was no longer an emergency, as the Claimant was residing with his mother.
- 12. The Claimant requested a hearing on April 12, 2011, protesting the denial of his application for assistance as he stated that he returned the requested verification information.

#### CONCLUSIONS OF LAW

#### FOOD ASSISTANCE PROGRAM

The Food Assistance Program (FAP) former ly known as the Food Stamp (FS) program is establis hed 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) administers the FAP program pursuant to MCL 400.10, et seq., and MAC R 400.3001-3015. Department

policies are found in the Bridges Adminis trative Manual (BAM), the Bridges Eligibilit y Manual (BEM) and the Reference Tables (RFT).

Clients must cooperate with the local office in determining initial and ongoing eligibility to provide verification. BAM 130, p. 1. The questionable information might be from the client or a third party. <u>Id.</u> The Department can use documents, collateral contacts or home calls to verify information. <u>Id.</u> 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.

The Department is required to verify employment and income at application and when a change is reported. If the client fails to verify these items the Department must close the Claimant's case or deny the application for failure to verify the requested information. BEM 554, p. 11.

In this case, the Department provided a Verification Checklist seeking verification of employment income for the Claimant's mother. The Claimant provided some but not all of the requested information and did not supply the income for his mother as he did not see the second page of the verification checklist. Based upon these factual circumstances, the Department correctly denied the Claimant's FAP application for failure to provide the information by the due date. Thus, the Department appropriately, and in accordance with Department policy, denied the FAP application. BAM 130 id.

The claimant is encouraged to reapply for food assistance and to provide the verification of employment and income.

#### ADULT MEDICAL PROGRAM

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or Department) pursuant to MCL 400.10, *et seq*. Department policies are contained in the Program Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BPRM).

The Adult Medical Program was closed to new applications on the date the Claimant applied for the program (March 1, 2011), and thus the Department appropriately denied the Claimant's AMP application.

#### CASH ASSISTANCE

Under Bridges Administrative Manual Item 600, clients have the right to contest any agency decision affecting eligibility or benefit levels whenever they believe the decision is illegal. The agency provides an Administrative Hearing to review the decision and determine if it is appropriate. Agency policy includes procedures to meet the minimal requirements for a fair hearing. Efforts to clarify and resolve the client's concerns start when the agency receives a hearing request and continues through the day of the hearing.

The Claimant applied for Cash Assistance and was denied on the basis that he was not eligible because he was not a caretaker/relative of a dependent child, not aged or disabled. On this issue, the Department agreed to retroactively reinstate the Claimant's SDA application to the date of application and process the application accordingly. The Claimant and the Department, having agreed to resolve and settle this

matter, it is unnecessary for the Administrative Law Judge to render a decision on this issue.

#### STATE EMERGENCY RELIEF

Housing affordability is a condition of eligibility for State Emergency Relief (SER) and applies only to Relocation Services (ERM 303) and Home Ownership Services and Home Repairs (ERM 304).

The Department policy has strict guidelines which must be followed when determining eligibility for SER and provides:

Authorize SER for services only if the SER group has sufficient income to meet ongoing housing e xpenses. An SER group that cannot afford to pay their ongoing housing costs plus any utility obligations will not be able to retain their housing, even if SER is authorized.

Deny SER if the group does no thave sufficient income to meet their total housing obligation. The total housing obligation cannot exceed 75 percent of the group's total net countable income. ERM 207 page 1

Issue Home Ownership Services payments only to save a home threatened with loss due to mortgage foreclosure, land contract forfeiture, tax foreclosure, or court ordered eviction of a mobile home from land or a mobile home park. Issue home repair payment sonly if the repair(s) is essential to remove a direct threat to health or safety or is required by law or a mobile home park regulation. The repair(s) must restore the home to a safe, livable condition. **SER does not pay for improvements or non essential repairs.** ERM 304 page 3

In addition, all of the following conditions must be met (unless specified for a particular service):

An SER group member is an ow ner or purchaser of the home, or holds a life estat e on the home with the responsibility for home repairs. If the home is co-owned, the cost of the emergen cy is not split between the co-owners or co-purchasers.

The home is the SER group's permanent, usual residence.

The home is not listed for sale.

The home is not in jeopardy of loss. (This only app lies to home repairs.) Deny repairs if there is a house payment or property tax arrearage, unle ss a workable plan exists for paying the arrearage.

The ongoing cost of maintaining the home is affordable to the SER group; see ERM 207, Housing Affordability.

The SER group did not caus e the emergency. Do not authorize Home Ownership Serv ices if the emergency was client-caused; see ERM 204, Client Caused Emergencies. (Property tax and home repair requests are exempt from the client-caused provision in Item 204.)

The home is in liva ble condition and payme nt will guar antee safe, sanitary shelter both now and in the future. Do not approve any home ownership services payments for homes that are not in a livable condition or cannot be brought to a livable condition within the remaining SER home repair limit.

Based upon the foregoing mandatory requirements, the Department properly determined that the Claimant was not eligible for State Emergency relief. The claimant no longer lived in the home as a permanent residence, the claimant has no income to sustain the continuing expenses of home ownership and the home is not in livable condition. ERM 207 and 304. The Department's denial of the Claimant's application was correct and in accordance with policy and is affirmed.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that there was sufficient evidence presented to affirm the Department's actions denying the Claimant's Food Assistance (FAP) application for failure to return the verification information by the due date, and therefore, the denial of the Claimant's Food Assistance application by the Department is AFFIRMED.

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The Department's determination to deny the Claimant's application for the Adult Medical Program, for the reas on the AMP program was closed to new applicants at the time the Claimant applied, is correct and in accordance with Department policy and is

AFFIRMED.

The Department's decision to deny the Claimant's application for S tate

Emergency Relief (SER) is in accordance with Department policy and is AFFIRMED.

The Department and the Claim ant have come to a settlement regarding the Claimant's request for a hear ing regarding the Department's denial of Claimant's application for cash assistance and SDA application.

Accordingly, it is ORDERED:

 The Department shall reopen and rein state the March 1, 2011 application filed by the Claimant f or cash as sistance and process the application for State Disability Assistance.

Administrative

For Department

Lynn M. Ferris
Law Judge
Maura Corrigan, Director
of Human Services

Date Signed: 05/24/11

Date Mailed: 05/26/11

**NOTICE:** Administrative Hearings may or der 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 Hear ings 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 ti mely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

## LMF/dj

