

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No. 201134872  
Issue No. 2001 3008  
Case No. [REDACTED]  
Hearing Date: June 20, 2011  
Macomb County DHS (12)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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 June 20, 2011 from Detroit, Michigan. The Claimant appeared and testified; [REDACTED] appeared as Claimant's authorized hearing representative (AHR). On behalf of Department of Human Services (DHS), [REDACTED] Specialist, and [REDACTED], Specialist, appeared and testified.

**ISSUE**

Whether DHS properly terminated Claimant's Adult Medical Program (AMP) and Food Assistance Program (FAP) benefits effective 4/2011 due to an alleged failure by Claimant to timely verify income information?

**FINDINGS OF FACT**

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

1. Claimant was an ongoing FAP and AMP benefit recipient.
2. As part of a redetermination for AMP and FAP benefits, DHS requested verification of Claimant's self-employment income.
3. On 3/19/11, DHS mailed Claimant a Verification Checklist (VCL) (Exhibit 1) requesting information of Claimant's self-employment income (and rent).
4. On 3/29/11, DHS extended Claimant's due date until 3/31/11 based on a request for extension by Claimant.

5. On 3/30/11, DHS mailed Claimant a Notice of Case Action (Exhibit 2) informing Claimant that her FAP benefits would stop effective 4/2011 due to an alleged failure to verify information.
6. On 3/31/11, Claimant submitted verification of self-employment income to DHS.
7. On an unspecified date, DHS terminated Claimant's AMP benefits effective 4/2011 due to the same alleged failure by Claimant to verify self-employment income.
8. On 5/23/11, Claimant requested a hearing to dispute the termination of FAP and AMP benefits.

### **CONCLUSIONS OF LAW**

The Food Assistance Program (formerly known as the Food Stamp 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). DHS (formerly known as the Family Independence Agency) administers the FAP pursuant to Michigan Compiled Laws 400.10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RTM). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

The undersigned will refer to the DHS regulations in effect as of 3/2011, the month of the DHS decisions which Claimant is disputing. Current DHS manuals may be found online at the following URL: <http://www.mfia.state.mi.us/olmweb/ex/html/>.

DHS must periodically redetermine an individual's eligibility for benefit programs. BAM 210 at 1. A complete redetermination is required at least every 12 months. *Id.* The redetermination process begins with the DHS mailing of a Redetermination (DHS-1010) the month prior to the end of the current benefit period. *Id.* at 4. Clients must complete and submit the DHS-1010 and necessary verifications for DHS to process the redetermination. *Id.* at 10. Verifications vary dependent on the programs being redetermined. Failure to submit the needed documents during the benefits period results in denial of the redetermination and case closure. *Id.*

For all programs, DHS must request verifications when required by policy. BAM 130 at 1. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130 at 1. Verification is usually required at application or redetermination. *Id.*

For FAP benefits, verifications must be provided by the end of the current benefit period or within 10 days after they are requested, whichever allows more time. In the present case, it was not disputed that the purpose of requesting self-employment verifications from Claimant was for a FAP benefit redetermination due by the end of 3/2011; nor was it disputed that 3/31/11 would have been the final day of Claimant's FAP benefit period. It was also not disputed that Claimant submitted verification of self-employment income to DHS on 3/31/11.

DHS contented because Claimant failed to submit verification of self-employment income by a 3/29/11 due date on a VCL (Exhibit 1), Claimant's FAP benefits properly closed. The DHS contention is incorrect as DHS regulations clearly allow the later of the VCL due date or the end of the FAP benefit period end date. Because Claimant's FAP benefits ended 3/31/11, Claimant had until that date to submit verifications. It is found that DHS erred by failing to redetermine Claimant's FAP benefits beginning 4/2011 based on Claimant's self-employment verifications submitted on 3/31/11.

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 DHS pursuant to MCL 400. 10, *et seq.* Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

For AMP redeterminations, verifications are due the same date as the redetermination/review interview. BAM 210 at 10. When an interview is not required, verifications are due the date the packet is due. *Id.* Bridges allows clients a full 10 calendar days from the date the verification is requested (date of request is not counted) to provide all documents and information. *Id.* Bridges (the DHS database) gives timely notice of the negative action if the time limit is not met. *Id.*

The analysis for the AMP closure differs slightly from the FAP benefit analysis. It was not disputed that DHS initiated termination of Claimant's AMP benefits on 3/19/11 after Claimant failed to verify her self-employment income. Based on negative action effective date policy, Claimant had until 3/30/11 (as opposed to 3/31/11 for the FAP benefit redetermination) to submit the income verification for purposes of redetermining AMP benefits.

For AMP benefits, clients are given 10 calendar days to provide requested verification. *Id.* at 5. If the client cannot provide the verification despite a reasonable effort, the time limit can be extended up to three times. *Id.* at 6. DHS is to send a negative action notice 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. *Id.* at 5.

Claimant credibly testified that she called her DHS specialist on 3/29/11 for the purposes of extending the original 3/29/11 due date on the VCL. Claimant also credibly testified that her specialist approved the extension. It was not disputed that Claimant met the 3/31/11 date of submission.

DHS did not present Claimant's specialist as a witness but pointed out that the specialist left no record of extending Claimant's verification deadline to 3/31/11. The undersigned is not inclined to find an absence of documentation as proof of the contrary. The only presented evidence concerning whether an extension was granted was Claimant's testimony which was credible concerning the issue. It is found that Claimant requested an extension until 3/31/11 to submit self-employment verification.

DHS contended that even if the specialist allowed the extension, Bridges, their database, would not allow an extension. What Bridges can or cannot do has no impact as to whether DHS regulations were followed. Further, it is believed that the DHS specialist that authorized the extension could have cancelled the pending closure for AMP benefits on Bridges; in doing so, this would have been the equivalent of an extension.


DHS was authorized to extend Claimant's 3/31/11 due date to submit income verifications. DHS verbally allowed the extension but did not process the extension on their database resulting in an improper AMP benefit termination. It is found that DHS erred in terminating Claimant's AMP benefits.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly terminated Claimant's FAP and MA benefits. It is ordered that DHS:

- (1) process Claimant's eligibility for AMP and FAP benefits beginning 4/2011 based on already submitted self-employment income verifications by Claimant; and
- (2) supplement Claimant for any AMP and FAP benefits not received as a result of the improper benefit terminations.

The actions taken by DHS are REVERSED.

  
Christian Gardocki  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: July 6, 2011  
Date Mailed: July 6, 2011

**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 receipt date of the rehearing decision.

CG/cl

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