

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

IN THE MATTER OF:

[REDACTED]

Registration No: 2011-38935
Issue Nos: 2006; 3008
Case No: [REDACTED]
Hearing Date: August 2, 2011
Washtenaw County DHS

Administrative Law Judge: Mark A. Meyer

HEARING DECISION

In accordance with MCL 400.9, MCL 400.37, and 1999 AC, R 400.903, a hearing was held in this matter on August 2, 2011. Claimant and her representative appeared at hearing and provided testimony. The Department of Human Services (the Department) was represented by agency personnel.

ISSUE

In dispute was whether the Department properly denied Claimant's application(s) for Medical Assistance (MA) and Food Assistance Program (FAP) benefits and/or terminated such benefits, where it was determined she failed to provide requested verification.

FINDINGS OF FACT

Based on the competent, material, and substantial evidence on the whole record, the Administrative Law Judge finds as best he is able, the following relevant facts¹:

1. Claimant applied for MA and FAP in February 2011. This application was apparently lost and not timely acted upon by the Department. (Exhibit 1; Exhibit 2.)
2. The Department contacted Claimant on March 2, 2011, to discuss a "rebuild" of her case.
3. On March 9, 2011, Claimant was asked to provide verification of her checking account and home rent to the Department by March 21, 2011.

¹ Due to the volume of documents that were provided to the Administrative Law Judge following the hearing in this matter, it was necessary to renumber all exhibits accordingly.

Claimant submitted this information to the agency in a timely fashion. (Exhibits 4; 5; 6.)

4. On March 15, 2011, the Department attempted to verify Claimant's employment record without success. As a result, a verification checklist form (DHS 3503-C) was sent to Claimant asking her to submit 30 days of check stubs or earnings statements regarding her employment. She was to also submit a verification of employment (DHS-38) from her employer. This information was due by March 25, 2011. (Exhibits 7; 8.)
5. On the same date, however, Claimant was sent a notice of case action informing her that her request for participation in the Medicare Savings Program was denied because "she has full [MA] coverage." But, this same notice informed Claimant that her MA case was closed, effective January 1, 2011. Finally, this notice informed Claimant that she was entitled to a monthly FAP allotment of [REDACTED], effective March 1, 2011. (Exhibit 9.)
6. On March 23, 2011, Claimant submitted a second application for MA and FAP to the Department – she in fact provided the agency with a copy of this application. On the same date, Claimant provided the Department with verification of her checking account and copies of a utility bill and drivers license. Finally, Claimant informed the Department that her last date of employment was November 6, 2010. (Exhibits 2, 10, 11.)
7. Two days later, on March 25, 2011, the Department submitted a notice of case action to Claimant informing her that her application for MA was denied, effective January 1, 2011, because she "failed to verify or allow the [agency] to verify necessary information," and because her MA "deductible has not been met in at least one of the last 3 months." (Exhibit 13.)
8. One week later, on April 1, 2011, Claimant was sent yet another notice of case action, this one informing her that her request for participation in the Medicare Savings Program was denied, again for failure to provide requested verification, and that her FAP benefits case would close, effective May 1, 2011, for the same reason. (Exhibit 14.)
9. On April 6, 2011, the Department submitted a verification checklist to Claimant, again requesting documentation of her home rent. This information was due by April 18, 2011. (Exhibit 15.)
10. On the same date, Claimant was again sent a notice of case action informing her that her participation in the Medicare Savings Program would "continue[]," effective April 1, 2011, and that her MA would also "continue[]," effective the same date. (Exhibit 16.)

11. On April 18, 2011, Claimant provided to the Department 30-days worth of check stubs/earning statements from her last employer, and verification of her home rent. (Exhibit 19.)
12. On April 21, 2011, the Department submitted yet another notice of case action to Claimant, this time informing her that her FAP benefits were "denied," based on a failure to provide adequate verification. (Exhibit 23.)
13. On the same date, the agency contacted Claimant by telephone informing her that "we still need [a telephone] interview for FAP." (Exhibit 24.)
14. On June 8, 2011, Claimant was sent a sixth notice of case action in this matter. This one informed her that her Medicare Savings Program "[c]losed" effective July 1, 2011, and that her MA case was closed effective the same date. The reason provided was that she failed to provide adequate verification. (Exhibit 25.)
15. Claimant subsequently requested a hearing to contest the agency's actions regarding her MA and FAP benefits. (Claimant's hearing request, received June 17, 2011.)

CONCLUSIONS OF LAW

The hearing and appeals process for applicants and recipients of public assistance in Michigan is governed by 1999 AC, R 400.901 through 400.951, in accordance with federal law. An opportunity for hearing must be granted to an applicant who requests a hearing because his claim for assistance is denied or not acted on with reasonable promptness, and to any recipient who is aggrieved by Department action resulting in suspension, reduction, discontinuance, or termination of assistance. Rule 400.903(1). An applicant or recipient holds the right to contest an agency decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department must provide an administrative hearing to review the decision and determine its appropriateness. Bridges Administrative Manual (BAM) 600, p. 1.

Here, the Department either denied Claimant's application for MA and FAP benefits, or terminated them once approved, for ostensibly failing to provide requested information. From this action, Claimant filed a request for hearing.

The MA program was established by Title XIX of the Social Security Act, 42 USC 1396, *et seq.*, and is implemented through federal regulations found in the Code of Federal Regulations, 42 CFR 430, *et seq.* The Department administers the MA program under MCL 400.10, *et seq.*, and MCL 400.105. Department policies developed from this authority are found in the BAM, the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

FAP – formerly known as the Food Stamp Program – was established by the Food Stamp Act of 1977, 7 USC 2011, *et seq.*, and is implemented through federal regulations found in 7 CFR 273.1 *et seq.* The Department administers the FAP under MCL 400.10, *et seq.*, and Rules 400.3001 through 400.3015. Agency policies pertaining to the FAP are found in the BAM, BEM, and RFT. The goal of the FAP is to ensure sound nutrition among children and adults. BEM 230A.

A client must cooperate with the Department in determining initial and ongoing eligibility for assistance benefits. BAM 105, p. 5.

Verification is defined as "documents or other evidence to establish the accuracy of the client's verbal or written statements." BAM 130, p. 1. Verification is usually required at application, redetermination, or for a reported change affecting eligibility or level of benefit. BAM 130, p. 1. The Department will instruct a client: (1) what verification is required; (2) how to obtain it, and (3) the due date for submission. BAM 130, p. 2.

Verification requested by the Department must be obtained by the client, although assistance may be requested from the agency if needed. BAM 130, p. 3; see also BAM 105, p. 9. The client must take action within his or her ability to obtain verifications. BAM 105, p. 8.

A client who is able, but fails to provide requested verifications or take a required action, is subject to penalties. BAM 105, p. 5. For example, a negative action notice is issued against the client when he or she:

- indicates a refusal to provide a verification, or
- the time period given for providing the requested verification elapses.
(BAM 130, p. 6.)

Here, the evidence established that although Claimant provided 30-days worth of pay stub/earning statements as requested by the Department, this information was not provided timely. The due date was March 25, 2011; according to the agency, this date was extended to April 16, 2011. Based on the evidence presented, Claimant did not provide this information until April 18, 2011. Additionally, in accordance with the same request for information (see Exhibit 8, p. 1), Claimant was to provide a completed verification form from her employer by the same due date. But, there was no evidence demonstrating that Claimant ever submitted to the agency a completed form from her employer. At the very least, a completed form would have very readily provided the Department with information regarding Claimant's dates of employment. It would have also corroborated or conflicted with her claim that she was no longer employed after November 6, 2010. Even with Claimant's asserted mental and physical limitations at the time, it cannot be reasonably concluded that timely submission of the requested employment verification form was an onerous or overly burdensome task.

The testimony provided by Claimant's representative at hearing that the Department did not do enough to assist Claimant throughout this process is unpersuasive. Although the

number of notices of conflicting case actions submitted against Claimant over a 2 ½ month period is disconcerting, the fact remains that through it all she should have been aware of the simple need to submit *all* of the requested verifications, including the completed employment verification form, in a *timely* fashion.

Finally, despite the events to date, Claimant is encouraged to yet again apply for the desired benefits. The Department is also encouraged to maintain some semblance of awareness to the inordinate and conflicting amount of paperwork that can apparently be submitted to a client in a very short period of time.

DECISION AND ORDER

Based on the above findings of fact and conclusions of law, the Administrative Law Judge determines that the Department properly denied Claimant's application(s) for MA and FAP benefits, or properly terminated such benefits, based on her failure to adequately comply with the agency's request for employment verification.

Therefore, the Department's action in this matter is UPHELD.

It is SO ORDERED.

/s/ _____
Mark A. Meyer
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 8/19/11

Date Mailed: 8/19/11

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.

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Claimant may appeal this Decision and Order to the Circuit Court for the county in which he/she resides within 30 days of the receipt of this Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

MAM/sc

cc:

