

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: 201110477  
Issue No: 3002, 2001, 2006  
[REDACTED] [REDACTED]  
Berrien County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on December 6, 2010. After due notice, a telephone hearing was held on Wednesday, January 12, 2011.

**ISSUE**

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) and Medical Assistance (MA) eligibility?

**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 Claimant is an ongoing FAP recipient.
2. The Claimant applied for MA assistance on October 13, 2010.
3. On November 18, 2010, the Department sent the Claimant a Verification Checklist with a due date of November 29, 2010. The Department requested verification of the Claimant's checking account balance.
4. On November 18, 2010, the Department sent the Claimant a Shelter Verification with a due date of November 29, 2010.
5. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of [REDACTED]

6. The Claimant reported medical expenses of [REDACTED].
7. The Department completed a budget for the Adult Medical Program (AMP) and determined that the Claimant did not qualify for benefits due to excess income.
8. The Department completed a budget for the Food Assistance Program (FAP), which resulted in a reduction of the Claimant's monthly FAP allotment.
9. On November 29, 2010, the Department notified the Claimant that MA benefits based on disability had been denied for failure to verify her assets.
10. The Department received the Claimant's request for a hearing on December 6, 2010, protesting the reduction of her FAP allotment, and the denial of her MA application.

### **CONCLUSIONS OF LAW**

The Food Assistance Program (FAP) (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). 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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

Clients must report changes in circumstance that potentially affect eligibility or benefit amount within 10 days of receiving the first payment reflecting the change. BAM 105. Income reporting requirements are limited to the following:

Earned income:

- Starting or stopping employment.
- Changing employers.
- Change in rate of pay.
- Change in work hours of more than five hours per week that is expected to continue for more than one month.

Unearned income:

- Starting or stopping a source of unearned income.
- Change in gross monthly income of more than \$50 since the last reported change.

Other changes:

- Persons in the home.
- Marital status.
- Address and shelter cost changes that result from the move.
- Vehicles.
- Assets.
- Child support expenses paid.

- Health or hospital coverage and premiums.
- Day care needs or providers. BAM 105

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. BAM 105, p. 5. Verification means documentation 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 and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130, p. 1. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130, p. 1. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130, p. 2. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

Clients are allowed ten calendar days to provide the verifications requested by the Department. BAM 130, p. 4. The Department should send a negative action notice when the client indicates a refusal to provide the verification, or the time period provided has lapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 4. The Department should extend the time limit no more than once if the client cannot provide the verification despite a reasonable effort. BAM 130, p. 4.

In this case, the Claimant applied for Medical Assistance on October 13, 2010, and was an ongoing FAP recipient. The Department sent the Claimant a Shelter Verification form with a due date of November 29, 2010. When the Claimant did not verify her monthly shelter expenses, the Department completed her FAP budget with a shelter expense of [REDACTED]. This resulted in a reduction of the Claimant's FAP allotment.

The Claimant is an ongoing FAP recipient and the Department completed a FAP budget to determine her eligibility to receive benefits. The Claimant receives monthly RSDI in the gross monthly amount of [REDACTED]. The Claimant's adjusted gross income of [REDACTED] is determined by subtracting the [REDACTED] standard deduction and the [REDACTED] of medical expenses from her total income. The Claimant's excess shelter deduction of [REDACTED] was determined by subtracting [REDACTED] of her adjusted gross income from her shelter expenses, which consisted solely of the [REDACTED] heat and utility standard under the Low Income Home Energy Assistance Program.

The Claimant's net countable income of [REDACTED] was determined by subtracting her excess shelter deduction from her adjusted gross income. A claimant with a group size of one and a net income of [REDACTED] is entitled to a FAP allotment of [REDACTED], which is the amount of FAP benefits granted to the Claimant for this period. RFT 260. I find that the Department has established that it acted in accordance with policy determining Claimant's FAP allotment.

The Claimant applied for MA assistance on October 13, 2010. On November 18, 2010, the Department sent the Claimant a Verification Checklist with a due date of November 29, 2010. The Department had requested that the Claimant verify the balance of her checking account to determine whether the Claimant met the assets limit to receive MA assistance. When the Claimant failed to verify her checking account before the deadline, the Department denied the Claimant's request for disability based Medical Assistance.

The Department completed a MA budget to determine whether she was eligible for the Adult Medical Program as an alternative to disability based medical assistance. The Claimant receives monthly RSDI in the gross monthly amount of [REDACTED]. The income limit to receive Medical Assistance under the Adult Medical Program is \$316. Since the Claimant's income exceeds the income limit, the Department denied the Claimant's application for MA benefits.

The Claimant argued that she had requested assistance from the Department to obtain verification of her shelter expense and checking account. The Claimant testified that filling out the Department's forms is very stressful to her, and that she required assistance to submit the proper documents.

However, the Claimant was unable to provide any evidence of when she requested assistance from her caseworker. The Claimant could not recall the date that she contacted her caseworker.

The Department's representative testified that there were no records of the Claimant's attempts to notify her caseworker that she needed assistance obtaining verification documents in her benefits case file.

Based on the evidence and testimony available during the hearing I find that the Department has established that it acted in accordance with policy when it reduced the Claimant's FAP allotment and denied her MA application.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's FAP eligibility.

The Department's FAP eligibility determination is AFFIRMED. It is SO ORDERED.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's MA eligibility.

The Department's MA eligibility determination is AFFIRMED. It is SO ORDERED.

