

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. 201119900
Issue No. 3008
Case No. [REDACTED]
Hearing Date: March 16, 2011
Wayne County DHS (43)

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 March 16, 2011. The claimant appeared and testified; [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED] appeared and testified.

ISSUE

Whether DHS properly terminated Claimant's Food Assistance Program (FAP) and Medical Assistance (MA) benefits due to Claimant's alleged failure to verify information concerning his household members.

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 benefit recipient.
2. Claimant resides at [REDACTED]
3. Claimant properly reported his address and household members to DHS on his Assistance Application.
4. On an unspecified date, DHS called Claimant's residence and was told by Claimant's mother that Claimant did not reside with her.

5. Claimant immediately called back DHS to inform his specialist that his mother only told DHS that she did not live with Claimant because she thought that Claimant's specialist was a bill collector.
6. On [REDACTED] DHS mailed Claimant a Verification Checklist (DHS-3503) (Exhibit 1) requesting identification of all household members including a Social Security Card.
7. On 12/28/10, Claimant applied for MA benefits.
8. The Verification Checklist also scheduled an appointment for [REDACTED] with Claimant and stated "Please bring all members of your household and all verifications to your interview. Failure to comply will result in program closure."
9. Claimant attended the interview alone and brought the identification for each of his parents.
10. DHS considered Claimant's failure to bring his parents to the interview a failure to verify group composition for Medicaid and Food Assistance Program (FAP) benefits.
11. On an unspecified date, DHS terminated Claimant's FAP benefits to be effective [REDACTED] and denied Claimant's MA benefit application dated [REDACTED].
12. On [REDACTED] Claimant requested a hearing disputing the termination of FAP benefits and the denial of MA 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). The Department of Human Services (formerly known as the Family Independence Agency) administers the FAP program 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 (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

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 (formerly 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 Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

The relationship(s) of the people who live together affects whether they must be included or excluded from the FAP benefit group. DHS specialists must first determine if a person must be included in the FAP group. BEM 212 at 1. If the person is not a mandatory group member, then DHS determines if they purchase and prepare food together or separately. *Id.* Parents and their children under 22 years of age who live together must be in the same group regardless of whether the child has his/her own spouse or child who lives with the group. *Id.*

For MA benefit groups, DHS is to determine the fiscal and asset groups separately for each person requesting MA. BEM 211 at 1. The policies differ based on the type of MA categories for which the person qualifies.

In the present case, Claimant was an ongoing FAP benefit recipient and an applicant for MA benefits awaiting a DHS determination. Claimant informed DHS of a residential address on [REDACTED]. Claimant verified his residential address with a State of Michigan identification card. The identification is some evidence that Claimant lived where he said he did.

On an unspecified date, DHS called Claimant's home and was told by a person who identified herself as Claimant's mother that Claimant did not reside with her. Claimant quickly called DHS and informed his specialist that his mother thought the DHS specialist to be a bill collector and she told his specialist that he did not live with her because she was tired of creditors calling her home asking for her children. DHS responded by having Claimant attend an in-person appointment requiring the attendance of his parents and their identification.

Until the adverse actions taken to Claimant's FAP and MA benefits, the undersigned does not find fault with the DHS actions. DHS had a basis to be skeptical about Claimant's group composition and address. Requiring an interview for Claimant to discuss the inconsistency between his statement and his mother's statement was reasonable.

Claimant attended the interview scheduled on [REDACTED]. Claimant brought his parents' identification and DHS already had Claimant's identification which verified Claimant's address. Claimant provided a very reasonable explanation concerning why his mother advised DHS that he did not live with her. The only evidence to suggest Claimant did not reside where he stated had been clarified. More evidence pointed to Claimant telling the truth than fraudulently reporting information to DHS.

Another problem with the DHS adverse actions are that the circumstances were such that whether Claimant lived with his elderly parents was irrelevant to his eligibility. For

MA benefits, no MA category includes an adult's parents as group members which would affect a client's eligibility. Thus, even if Claimant did not live at his reported residence with his parents, the MA benefit determination, if made, would have been the same as the one made with his parents as household members. For FAP benefits, Claimant's parents would have only affected Claimant's FAP eligibility if they were FAP benefit members with Claimant; Claimant's FAP benefits were based on Claimant being his own FAP benefit group because he reported buying and preparing food separately from his parents. Thus, whether Claimant did or did not live with his parents had no bearing on his FAP and MA benefit eligibility. This tends to make it more likely that Claimant was not misreporting information to DHS.

It also strikes the undersigned as unfair to penalize Claimant for the failure of his parents to cooperate in the verification process. Claimant's benefits can not be contingent upon the cooperation of third parties. Though requesting the presence of his parents at an interview was reasonable, it was unreasonable to terminate FAP and deny MA benefits solely based on their lack of attendance at the interview. Based on the aforementioned reasons, it is found that DHS improperly terminated Claimant's MA benefits and denied Claimant's MA benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application dated [REDACTED] for MA benefits. It is also found that DHS improperly terminated Claimant's FAP benefits effective [REDACTED]. It is ordered that DHS reinstate Claimant's FAP benefits for [REDACTED] and future months and that Claimant be supplemented for FAP benefits not received as a result of the benefit termination. It is further ordered that DHS reinstate Claimant's application dated [REDACTED] for MA benefits and that the application be processed in accordance with DHS regulation. The actions taken by DHS are REVERSED.



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

Date Signed: 03/25/11

Date Mailed: 03/30/11

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 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 date of the rehearing decision.

CG/dj

cc:

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