

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

IN THE MATTER OF:

[REDACTED]

Reg
Issue

Hearing

No: 2011-25132
No: 3008, 2006
Case No: [REDACTED]
Date:
April 18, 2011
Wayne County DHS (17)

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 received by the Department March 28, 2011. After due notice, a telephone hearing was conducted from Detroit, Michigan on April 18, 2011. The Claimant appeared and testified. [REDACTED], ES appeared on behalf of the Department.

ISSUE

Whether the Department properly reduced the Claimant's Food Assistance (FAP) allotment in December 2010, January 2011, and February 2011, due to Claimant's failure to return a Verification of loss of employment.

Whether the Department properly denied the Claimant's application for Medical Assistance – Disability for failure to provide the requested verification of medical information.

FINDINGS OF FACT

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

1. The Claimant was an ongoing FAP recipient. The Department reduced the Claimant's food assistance, as of December 1, 2010 through February 28, 2011, to \$16. Exhibit 4
2. The Department budgeted \$1306 in earned income for December 2010 through February 2011, when calculating the Claimant's FAP benefits.
3. The earned income used by the Department to calculate the reduction of FAP benefits in the amount of \$1306 could not be verified, as the Department did not submit FAP budgets or check stubs to verify same.
4. The Claimant was not employed as of October 12, 2010 through the date of the hearing. Claimant Exhibit 1.
5. The Claimant provided a verification of loss of employment to the Department in the third week of December 2010.
6. The Claimant deposited the completed Verification of Loss of Employment form in the DHS drop box.
7. The Claimant filed an application on December 20, 2010 for Medical Assistance and reported no income.
8. The Claimant was sent a Verification Checklist on January 18, 2011, which included a Verification of Loss of Employment. The verifications were due January 28, 2011. The Claimant was sent another Verification Checklist, dated January 26, 2011, together with another Verification of Loss of employment with a due date of February 7, 2011. Exhibits 1 and 2.
9. The Department had contact with the Claimant on two occasions regarding the Medical Assistance application and the requested verifications.
10. The Department did not receive a response to the January 18, 2011 verification request. The Claimant filed a Verification of Loss of Employment on February 4, 2011. The Department did not receive any response to its request for verification of medical information. Claimant Exhibit 1.

11. The Department denied the Claimant's Medical application and closed the Claimant's FAP case on February 7, 2011, effective February 19, 2011, because it did not receive the verifications by the due date.
12. One of the Verification of Loss of Employment forms was sent to the Claimant's previous address in Detroit which was the last address reported by the Claimant. The Second verification checklist and loss of employment was sent to the Claimant's new address.
13. The Claimant reapplied for FAP benefits on February 15, 2011, and began receiving \$200 per month in FAP benefits March 1, 2011. The Claimant listed a new address on the application, which is his current address. The Claimant also reapplied for Medical Assistance on February 15, 2011, and the application is pending.
14. The Claimant turned in the Loss of Employment form in the third week of December 2010 and on February 4, 2011 at the [REDACTED] office.
15. The Claimant had a series of workers assigned to him and moved during the period when his December 20, 2010 application was pending.
16. After the December application was denied, the Claimant requested a hearing on February 11, 2011, protesting the reduction of his Food Assistance allotment beginning December 2010. The hearing request was received by the Department on February 11, 2011.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) formerly known as the Food Stamp (FS) 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) 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) 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. Id. The Department can use documents, collateral contacts or home calls to verify information. Id. 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 mailed out a series of verification checklists to the Claimant pursuant to an application for Medical Assistance filed December 20, 2010 based on disability. Because the Claimant reported that he had no income on the December MA application, a verification of employment was also sent to him requesting that he verify loss of employment. The Claimant credibly testified that he filed a verification of loss of employment two times with the Department; the first time he filed was in the third week of December 2010 and the second time February 4, 2010. While the Department did not have either verification in its file, the Claimant produced a copy of the February 4, 2011 verification of loss of employment at the hearing. The Claimant's testimony was credible. Based on this finding, the Department should have

recalculated the change in the Claimant's FAP allotment due to loss of employment beginning January 2011 based on the verification filed by the Claimant in the third week of December 2010.

This decision is also based upon the lack of evidence produced by the Department to support the earned income amount, (\$1306), it utilized to reduce the Claimant's FAP benefits for the period December 1, 2010 through February 28, 2011, and the fact that no FAP budgets were produced.

Further, the Claimant testified that the income he received prior to the loss of his employment was subject to child support payments which left him little income. This testimony is verified by the Claimant's Exhibit 1 produced at the hearing which verifies income and child support paid as verified by the then employer. There was no evidence to support the earned income or whether a child support expense was credited to the Claimant when calculating the FAP benefits. The verification also details child support paid each week and that no income was received during the period after October 12, 2010. Based on this evidence the Department is required to recalculate the Claimant's FAP benefits for January 2011 and February 2011 and to include no earned income as the Claimant was not working.

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 Program Reference Manual (PRM).

The Department did correctly deny the Claimant's December 20, 2010 Medical Assistance application because no medical verifications were received by the due date. The Claimant did not confirm that he filed any medical information. Based upon the fact that the Department's case file did not contain a response to the verification checklist regarding medical information requested, the Department properly denied the December 20, 2010 Medical Assistance application for failure to receive the verifications by the due date.

Based on the foregoing, it is found that the Department's decrease of the Claimant's FAP benefits was not supported by the evidence and therefore was not in accordance with policy, and the Department's decision reducing the Claimant's FAP benefits is REVERSED. The Department's decision, denying the Claimant's application for Medical Assistance, 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 application for Medical Assistance due to failure to verify the medical information requested and its denial of the application is AFFIRMED.

The Department's decision reducing the Claimant's Food Assistance benefits for the period December 1, 2010 through February 28, 2011 is REVERSED.

Accordingly, it is ORDERED:

1. The Department shall recalculate the Claimant's FAP benefits for the period January 1, 2011 through February 28, 2011, and shall include no earned income when calculating the benefits.

2. The Department shall issue a supplement to the Claimant for FAP benefits he was otherwise entitled to receive.



Lynn M. Ferris
Law Judge

Administrative
For
Department

Maura Corrigan, Director
of Human Services

Date Signed: 05/24/11

Date Mailed: 05/26/11

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.

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.

LMF/dj

cc:

