

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

IN THE MATTER OF:

[REDACTED]

Reg. No. 201136845
Issue No. 3008
Case No. [REDACTED]
Hearing Date: July 7, 2011
Oakland County DHS (03)

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 July 7, 2011 from Detroit, Michigan. The Claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED] Specialist, and [REDACTED] Manager, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's Food Assistance Program application dated 1/25/11 based on an alleged failure by Claimant to verify income.

FINDINGS OF FACT

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

1. On 1/25/11, Claimant applied for FAP benefits.
2. Claimant listed two jobs on his Assistance Application.
3. On 1/31/11, DHS mailed a Verification Checklist (VCL) (Exhibit 1) which stated, "Please provide additional information about: Employment Unknown."
4. The due date on the VCL to return the verification was 2/10/11.
5. In response to the VCL, Claimant submitted various documents concerning his jobs including copies of time sheets and advertising materials.

6. On 2/12/11, DHS denied Claimant's application for FAP benefits based on Claimant's alleged failure to verify information (see Exhibit 2).
7. On 2/22/11, Claimant submitted a Request for a Hearing concerning "Food Card" programs.
8. The 2/22/11 Request for a Hearing concerned a 2/12/11 date of action by DHS.

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 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 (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

The undersigned will refer to the DHS regulations in effect as of 2/2011, the month of the DHS decision which Claimant is disputing. Current DHS manuals may be found online at the following URL: <http://www.mfia.state.mi.us/olmweb/ex/html/>.

Claimant testified that the reason he requested a hearing was to dispute an 11/2010 or 12/2010 FAP benefit termination. Claimant's hearing request only stated the issue in dispute involved "food card" benefits. The only other information DHS had to identify Claimant's dispute prior to the hearing was the 2/12/11 notice date on Claimant's hearing request. The notice date refers to the date DHS mailed Claimant a Notice of Case Action. The Notice of Case Action dated 2/12/11 referred to a denial of FAP benefits from an application for FAP benefits dated 1/25/11. Claimant gave DHS no indication that he intended to dispute a 12/2010 FAP benefit termination. Accordingly, the issue in the present case is properly framed as the correctness of the DHS denial of Claimant's 1/25/11 FAP benefit application.

A request for program benefits begins with the filing of a DHS-1171 or other acceptable form. BAM 110 at 1. Before processing an application, DHS may require a client to verify information within their application. Verification is usually required at application. BAM 130 at 1. DHS must give clients at least ten days to submit verifications. *Id.* Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. *Id.* DHS must tell the client what verification is required, how to obtain it, and the due date. *Id.* at 2. DHS is to use the DHS-3503, Verification Checklist to request verification. *Id.* at 3.

If the group is ineligible or refuses to cooperate in the application process, DHS is to certify the denial within the standard of promptness to avoid receiving an overdue task in Bridges (the DHS database). BAM 115 at 16. Bridges sends a DHS 1605, Client Notice, or the DHS-1 150, Application Eligibility Notice, with the denial reason(s). *Id.* For FAP benefits, DHS is to send a negative action notice when the client indicates a refusal to provide a verification, or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130 at 5.

Looking at the VCL utilized by DHS, DHS requested "additional information" about Claimant's employment. DHS did not request a specific document nor identify what information concerning Claimant's employment was lacking. In response to the VCL, DHS conceded that Claimant submitted an assortment of documents including advertisement materials for his employer. Claimant testified that he was paid in cash for one of his jobs and indeed submitted advertising documents, but that he also submitted time sheets and other employment related documents which should have been useful to DHS.

DHS may be correct by contending that Claimant's submission of advertising materials was unhelpful because the documents failed to verify Claimant's employment income, something that would be necessary to determine Claimant's benefit eligibility. However, DHS is incorrect in finding that Claimant failed to comply with the VCL request. A request for "additional information" concerning employment without identifying which information is so vague that Claimant could have been excused from submitting any documentation. It is found that Claimant complied with the VCL.

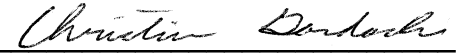
For FAP benefits, DHS is to send a negative action notice when the client indicates a refusal to provide a verification, or the time period given has elapsed and the client has not made a reasonable effort to provide it. *Id.* at 5. As it has been found that Claimant complied with the vague verification request, it is accordingly found that DHS erred by sending a negative action notice (i.e. Notice of Case Action) in denying Claimant's FAP benefit application dated 1/25/11.

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 1/25/11 for FAP benefits. It is ordered that DHS:

- (1) reinstate Claimant's FAP benefit application dated 1/25/11;
- (2) process Claimant's application in accordance with DHS regulations; and
- (3) supplement Claimant for any FAP benefits not received as a result of the improper DHS denial.

The actions taken by DHS are REVERSED.


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

Date Signed: July 12, 2011

Date Mailed: July 12, 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 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.

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